

gotiated under section 11 of the Indian Gaming Regulatory Act (25 U.S.C. 2710) shall be carried out in accordance with that compact.

(B) RULE OF CONSTRUCTION.—No provision of this section shall be construed as altering, superseding, or otherwise affecting the application of the Indian Gaming Regulatory Act.

(C) LIMITATION RELATING TO INTERACTIVE COMPUTER SERVICES.—

(1) IN GENERAL.—Relief granted under this section against an interactive computer service shall—

(A) be limited to the removal of, or disabling of access to, an online site violating section 5363, or a hypertext link to an online site violating such section, that resides on a computer server that such service controls or operates, except that the limitation in this subparagraph shall not apply if the service is subject to liability under this section under section 5367;

(B) be available only after notice to the interactive computer service and an opportunity for the service to appear are provided;

(C) not impose any obligation on an interactive computer service to monitor its service or to affirmatively seek facts indicating activity violating this subchapter;

(D) specify the interactive computer service to which it applies; and

(E) specifically identify the location of the online site or hypertext link to be removed or access to which is to be disabled.

(2) COORDINATION WITH OTHER LAW.—An interactive computer service that does not violate this subchapter shall not be liable under section 1084(d) of title 18, except that the limitation in this paragraph shall not apply if an interactive computer service has actual knowledge and control of bets and wagers and—

(A) operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made or at which unlawful bets or wagers are offered to be placed, received, or otherwise made; or

(B) owns or controls, or is owned or controlled by, any person who operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or otherwise made.

(d) LIMITATION ON INJUNCTIONS AGAINST REGULATED PERSONS.—Notwithstanding any other provision of this section, and subject to section 5367, no provision of this subchapter shall be construed as authorizing the Attorney General of the United States, or the attorney general (or other appropriate State official) of any State to institute proceedings to prevent or restrain a restricted transaction against any financial transaction provider, to the extent that the person is acting as a financial transaction provider.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1959.)

REFERENCES IN TEXT

Rule 65 of the Federal Rules of Civil Procedure, referred to in subsec. (b)(1)(B), (2)(B), is set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

The Indian Gaming Regulatory Act, referred to in subsec. (b)(3), is Pub. L. 100-497, Oct. 17, 1988, 102 Stat. 2467, which is classified principally to chapter 29 (§2701 et seq.) of Title 25, Indians. Section 4 of the Act is classified to section 2703 of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of Title 25 and Tables.

§ 5366. Criminal penalties

(a) IN GENERAL.—Any person who violates section 5363 shall be fined under title 18, imprisoned for not more than 5 years, or both.

(b) PERMANENT INJUNCTION.—Upon conviction of a person under this section, the court may enter a permanent injunction enjoining such person from placing, receiving, or otherwise making bets or wagers or sending, receiving, or inviting information assisting in the placing of bets or wagers.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1961.)

§ 5367. Circumventions prohibited

Notwithstanding section 5362(2), a financial transaction provider, or any interactive computer service or telecommunications service, may be liable under this subchapter if such person has actual knowledge and control of bets and wagers, and—

(1) operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or otherwise made; or

(2) owns or controls, or is owned or controlled by, any person who operates, manages, supervises, or directs an Internet website at which unlawful bets or wagers may be placed, received, or otherwise made, or at which unlawful bets or wagers are offered to be placed, received, or otherwise made.

(Added Pub. L. 109-347, title VIII, § 802(a), Oct. 13, 2006, 120 Stat. 1961.)

SUBTITLE V—GENERAL ASSISTANCE ADMINISTRATION

Table with 3 columns: Chap., Program Information, and Sec. listing sections 61 through 77.

AMENDMENTS

1996—Pub. L. 104-134, title III, § 31001(i)(3)(B), Apr. 26, 1996, 110 Stat. 1321-365, which directed that the table of

¹ So in original. Probably should be capitalized.

chapters for subtitle VI of this title be amended by inserting a new item for chapter 77 “Access to information for debt collection” before the item for chapter 91, was executed to the table of chapters for subtitle V of this title by substituting “Access to information for debt collection” for “Loan Requirements” in item for chapter 77, to reflect the probable intent of Congress.

1994—Pub. L. 103-322, title III, §31002, Sept. 13, 1994, 108 Stat. 1882, added item for chapter 67.

Pub. L. 103-272, §4(f)(1)(Y)(ii), July 5, 1994, 108 Stat. 1363, added item for chapter 77.

1986—Pub. L. 99-547, §2(c), Oct. 27, 1986, 100 Stat. 3060, added item for chapter 62.

Pub. L. 99-272, title XIV, §14001(b)(1), Apr. 7, 1986, 100 Stat. 328, struck out item for chapter 67 “Revenue Sharing”.

1984—Pub. L. 98-502, §2(c), Oct. 19, 1984, 98 Stat. 2334, added item for chapter 75.

CHAPTER 61—PROGRAM INFORMATION

Sec.	
6101.	Definitions.
6102.	Program information requirements.
6102a.	Assistance awards information system.
6103.	Access to computer information system.
6104.	Catalog of Federal domestic assistance programs.
6105.	Oversight responsibility of Director.
6106.	Authorization of appropriations.

AMENDMENTS

1983—Pub. L. 98-169, §6, Nov. 29, 1983, 97 Stat. 1115, added items 6105 and 6106, and struck out item 6105 “Authorization of appropriations”.

Pub. L. 97-452, §1(23)(B), Jan. 12, 1983, 96 Stat. 2478, added item 6102a.

§ 6101. Definitions

In this chapter—

(1) “administering office” means the lowest unit of an agency responsible for managing a domestic assistance program.

(2) “agency” has the same meaning given that term in section 551(1) of title 5.

(3) “assistance”—

(A) means the transfer of anything of value for a public purpose of support or stimulation authorized by a law of the United States, including—

- (i) financial assistance;
- (ii) United States Government facilities, services, and property; and
- (iii) expert and technical information; and

(B) does not include conventional public information services or procurement of property or services for the direct benefit or use of the Government.

(4) “domestic assistance program”—

(A) means assistance from an agency for—

- (i) a State;
- (ii) the District of Columbia;
- (iii) a territory or possession of the United States;
- (iv) a county;
- (v) a city;
- (vi) a political subdivision or instrumentality of a governmental authority listed in subclauses (i)–(v) of this clause (A);
- (vii) a domestic corporation;
- (viii) a domestic institution; and
- (ix) an individual of the United States; and

(B) does not include assistance from an agency for an agency.

(5) “Director” means the Director of the Office of Management and Budget.

(6) “Administrator” means the Administrator of General Services.

(7) “formula” means any prescribed method employing objective data or statistical estimates for making individual determinations among recipients of Federal funds, either in terms of eligibility or actual funding allocations, that can be written in the form of either—

(A) a closed mathematical statement; or

(B) an iterative procedure or algorithm which can be written as a computer program;

and from which the results can be objectively replicated, within reasonable limits due to rounding error, through independent application of such statement, procedures, or algorithm, by different qualified individuals.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1000; Pub. L. 98-169, §§1(1), 3(a), Nov. 29, 1983, 97 Stat. 1113; Pub. L. 99-547, §2(b)(2), Oct. 27, 1986, 100 Stat. 3060; Pub. L. 103-272, §4(f)(1)(S), July 5, 1994, 108 Stat. 1362; Pub. L. 104-287, §6(a)(1), Oct. 11, 1996, 110 Stat. 3398.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6101(1)	31:1701(4).	Dec. 28, 1977, Pub. L. 95-220, §2, 91 Stat. 1615.
6101(2)	31:1701(2).	
6101(3)	31:1701(1).	
6101(4)	31:1701(3).	

In the section, the word “Federal” is omitted as unnecessary.

In clause (1), the word “unit” is substituted for “subdivision” for consistency in the revised title. The words “direct operational” are omitted as unnecessary.

In clause (3)(A), the words “money, property, services, or” are omitted as being included in “anything of value”. The word “for” is substituted for “the principal purpose of which is to accomplish” to eliminate unnecessary words. In subclause (i), the words “grants, loans, loan guarantees, scholarships, mortgage loans, insurance or other types of” are omitted as being included in “financial assistance”. In subclause (ii), the word “goods” is omitted as being included in “property”. The words “and service activities of regulatory agencies” are omitted as being included in “services”. In subclause (iii), the words “expert and technical information” are substituted for “technical assistance, and counseling, statistical and other expert information” to eliminate unnecessary words.

In clause (3)(B), the words “or procurement of property or services for the direct benefit or use of the Government” are added for consistency in subtitle V of the revised title.

In clause (4)(A), the words “or benefits” are omitted as being included in “assistance”. Subclause (ii) is included for consistency in the revised title because the District of Columbia is stated when a provision is meant to apply to the District. In subclause (vi), the word “grouping” is omitted as being included in “political subdivision or instrumentality”. In subclauses (vii)–(ix), the words “profit or nonprofit” are omitted as surplus. In subclause (ix), the words “individual of the United States” are substituted for “domestic . . . individual” for clarity.

AMENDMENTS

1996—Par. (4)(B). Pub. L. 104-287 made technical amendment to directory language of Pub. L. 103-272. See 1994 Amendment note below.

1994—Par. (4)(B). Pub. L. 103-272, as amended by Pub. L. 104-287, substituted “agency.” for “agency” at end.

1986—Par. (4)(B). Pub. L. 99-547 substituted “assistance from an agency for an agency” for “a department, agency, or instrumentality of the Government.”

1983—Pars. (5), (6). Pub. L. 98-169, §1(1), added pars. (5) and (6).

Par. (7). Pub. L. 98-169, §3(a), added par. (7).

EFFECTIVE DATE OF 1996 AMENDMENT

Section 6(a) of Pub. L. 104-287 provided that the amendment made by that section is effective July 5, 1994.

SHORT TITLE OF 2008 AMENDMENT

Pub. L. 110-252, title VI, §6201, June 30, 2008, 122 Stat. 2387, provided that: “This chapter [chapter 2 (§§ 6201, 6202) of title VI of Pub. L. 110-252, enacting and amending provisions set out as notes under this section] may be cited as the ‘Government Funding Transparency Act of 2008.’”

ROLE OF INTERAGENCY COMMITTEE ON DEBARMENT AND SUSPENSION

Pub. L. 110-417, [div. A], title VIII, §873, Oct. 14, 2008, 122 Stat. 4557, as amended by Pub. L. 111-383, div. A, title X, §1075(e)(16), Jan. 7, 2011, 124 Stat. 4375, provided that:

“(a) REQUIREMENT.—The Interagency Committee on Debarment and Suspension shall—

“(1) resolve issues regarding which of several Federal agencies is the lead agency having responsibility to initiate suspension or debarment proceedings;

“(2) coordinate actions among interested agencies with respect to such action;

“(3) encourage and assist Federal agencies in entering into cooperative efforts to pool resources and achieve operational efficiencies in the Government-wide suspension and debarment system;

“(4) recommend to the Office of Management and Budget changes to the Government suspension and debarment system and its rules, if such recommendations are approved by a majority of the Interagency Committee;

“(5) authorize the Office of Management and Budget to issue guidelines that implement those recommendations;

“(6) authorize the chair of the Committee to establish subcommittees as appropriate to best enable the Interagency Committee to carry out its functions; and

“(7) submit to Congress an annual report on—

“(A) the progress and efforts to improve the suspension and debarment system;

“(B) member agencies’ active participation in the committee’s work; and

“(C) a summary of each agency’s activities and accomplishments in the Governmentwide debarment system.

“(b) DEFINITION.—The term ‘Interagency Committee on Debarment and Suspension’ means such committee constituted under sections 4 and 5 and [sic] of Executive Order No. 12549 [set out below].”

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY

Pub. L. 110-252, title VI, §6202(b), June 30, 2008, 122 Stat. 2387, provided that: “The Director of the Office of Management and Budget shall promulgate regulations to implement the amendment made by this chapter [amending Pub. L. 109-282, set out below]. Such regulations shall include a definition of ‘total compensation’ that is consistent with regulations of the Securities and Exchange Commission at section 402 of part 229 of title 17 of the Code of Federal Regulations (or any subsequent regulation).”

Pub. L. 109-282, Sept. 26, 2006, 120 Stat. 1186, as amended by Pub. L. 110-252, title VI, §6202(a), June 30, 2008, 122 Stat. 2387, provided that:

“SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘Federal Funding Accountability and Transparency Act of 2006’.

“SEC. 2. FULL DISCLOSURE OF ENTITIES RECEIVING FEDERAL FUNDING.

“(a) DEFINITIONS.—In this section:

“(1) ENTITY.—The term ‘entity’—

“(A) includes, whether for profit or nonprofit—

“(i) a corporation;

“(ii) an association;

“(iii) a partnership;

“(iv) a limited liability company;

“(v) a limited liability partnership;

“(vi) a sole proprietorship;

“(vii) any other legal business entity;

“(viii) any other grantee or contractor that is not excluded by subparagraph (B) or (C); and

“(ix) any State or locality;

“(B) on and after January 1, 2009, includes any subcontractor or subgrantee; and

“(C) does not include—

“(i) an individual recipient of Federal assistance; or

“(ii) a Federal employee.

“(2) FEDERAL AWARD.—The term ‘Federal award’—

“(A) means Federal financial assistance and expenditures that—

“(i) include grants, subgrants, loans, awards, cooperative agreements, and other forms of financial assistance;

“(ii) include contracts, subcontracts, purchase orders, task orders, and delivery orders;

“(B) does not include individual transactions below \$25,000; and

“(C) before October 1, 2008, does not include credit card transactions.

“(3) SEARCHABLE WEBSITE.—The term ‘searchable website’ means a website that allows the public to—

“(A) search and aggregate Federal funding by any element required by subsection (b)(1);

“(B) ascertain through a single search the total amount of Federal funding awarded to an entity by a Federal award described in paragraph (2)(A)(i), by fiscal year;

“(C) ascertain through a single search the total amount of Federal funding awarded to an entity by a Federal award described in paragraph (2)(A)(ii), by fiscal year; and

“(D) download data included in subparagraph (A) included in the outcome from searches.

“(b) IN GENERAL.—

“(1) WEBSITE.—Not later than January 1, 2008, the Office of Management and Budget shall, in accordance with this section, section 204 of the E-Government Act of 2002 (Public Law 107-347; 44 U.S.C. 3501 note), and the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 403 [401] et seq.) [now division B (except sections 1123, 2303, 2304, and 2313) of subtitle I of title 41], ensure the existence and operation of a single searchable website, accessible by the public at no cost to access, that includes for each Federal award—

“(A) the name of the entity receiving the award;

“(B) the amount of the award;

“(C) information on the award including transaction type, funding agency, the North American Industry Classification System code or Catalog of Federal Domestic Assistance number (where applicable), program source, and an award title descriptive of the purpose of each funding action;

“(D) the location of the entity receiving the award and the primary location of performance under the award, including the city, State, congressional district, and country;

“(E) a unique identifier of the entity receiving the award and of the parent entity of the recipient, should the entity be owned by another entity;

“(F) the names and total compensation of the five most highly compensated officers of the entity if—

“(i) the entity in the preceding fiscal year received—

“(I) 80 percent or more of its annual gross revenues in Federal awards; and

“(II) \$25,000,000 or more in annual gross revenues from Federal awards; and

“(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. [; and]

“(G) any other relevant information specified by the Office of Management and Budget.

“(2) SCOPE OF DATA.—The website shall include data for fiscal year 2007, and each fiscal year thereafter.

“(3) DESIGNATION OF AGENCIES.—The Director of the Office of Management and Budget is authorized to designate one or more Federal agencies to participate in the development, establishment, operation, and support of the single website. In the initial designation, or in subsequent instructions and guidance, the Director may specify the scope of the responsibilities of each such agency.

“(4) AGENCY RESPONSIBILITIES.—Federal agencies shall comply with the instructions and guidance issued by the Director of the Office of Management and Budget under paragraph (3), and shall provide appropriate assistance to the Director upon request, so as to assist the Director in ensuring the existence and operation of the single website.

“(c) WEBSITE.—The website established under this section—

“(1) may use as the source of its data the Federal Procurement Data System, Federal Assistance Award Data System, and Grants.gov, if all of these data sources are searchable through the website and can be accessed in a search on the website required by this Act, provided that the user may—

“(A) specify such search shall be confined to Federal contracts and subcontracts;

“(B) specify such search shall be confined to include grants, subgrants, loans, awards, cooperative agreements, and other forms of financial assistance;

“(2) shall not be considered in compliance if it hyperlinks to the Federal Procurement Data System website, Federal Assistance Award Data System website, Grants.gov website, or other existing websites, so that the information elements required by subsection (b)(1) cannot be searched electronically by field in a single search;

“(3) shall provide an opportunity for the public to provide input about the utility of the site and recommendations for improvements;

“(4) shall be updated not later than 30 days after the award of any Federal award requiring a posting; and

“(5) shall provide for separate searches for Federal awards described in subsection (a) to distinguish between the Federal awards described in subsection (a)(2)(A)(i) and those described in subsection (a)(2)(A)(ii).

“(d) SUBAWARD DATA.—

“(1) PILOT PROGRAM.—

“(A) IN GENERAL.—Not later than July 1, 2007, the Director of the Office of Management and Budget shall commence a pilot program to—

“(i) test the collection and accession of data about subgrants and subcontracts; and

“(ii) determine how to implement a subaward reporting program across the Federal Government, including—

“(I) a reporting system under which the entity issuing a subgrant or subcontract is responsible for fulfilling the subaward reporting requirement; and

“(II) a mechanism for collecting and incorporating agency and public feedback on the design and utility of the website.

“(B) TERMINATION.—The pilot program under subparagraph (A) shall terminate not later than January 1, 2009.

“(2) REPORTING OF SUBAWARDS.—

“(A) IN GENERAL.—Based on the pilot program conducted under paragraph (1), and, except as provided in subparagraph (B), not later than January 1, 2009, the Director of the Office of Management and Budget—

“(i) shall ensure that data regarding subawards are disclosed in the same manner as data regarding other Federal awards, as required by this Act; and

“(ii) shall ensure that the method for collecting and distributing data about subawards under clause (i)—

“(I) minimizes burdens imposed on Federal award recipients and subaward recipients;

“(II) allows Federal award recipients and subaward recipients to allocate reasonable costs for the collection and reporting of subaward data as indirect costs; and

“(III) establishes cost-effective requirements for collecting subaward data under block grants, formula grants, and other types of assistance to State and local governments.

“(B) EXTENSION OF DEADLINE.—For subaward recipients that receive Federal funds through State, local, or tribal governments, the Director of the Office of Management and Budget may extend the deadline for ensuring that data regarding such subawards are disclosed in the same manner as data regarding other Federal awards for a period not to exceed 18 months, if the Director determines that compliance would impose an undue burden on the subaward recipient.

“(e) EXCEPTION.—Any entity that demonstrates to the Director of the Office of Management and Budget that the gross income, from all sources, for such entity did not exceed \$300,000 in the previous tax year of such entity shall be exempt from the requirement to report subawards under subsection (d), until the Director determines that the imposition of such reporting requirements will not cause an undue burden on such entities.

“(f) CONSTRUCTION.—Nothing in this Act shall prohibit the Office of Management and Budget from including through the website established under this section access to data that is publicly available in any other Federal database.

“(g) REPORT.—

“(1) IN GENERAL.—The Director of the Office of Management and Budget shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform [now Committee on Oversight and Government Reform] of the House of Representatives an annual report regarding the implementation of the website established under this section.

“(2) CONTENTS.—Each report submitted under paragraph (1) shall include—

“(A) data regarding the usage and public feedback on the utility of the site (including recommendations for improving data quality and collection);

“(B) an assessment of the reporting burden placed on Federal award and subaward recipients; and

“(C) an explanation of any extension of the subaward reporting deadline under subsection (d)(2)(B), if applicable.

“(3) PUBLICATION.—The Director of the Office of Management and Budget shall make each report submitted under paragraph (1) publicly available on the website established under this section.

“SEC. 3. CLASSIFIED INFORMATION.

“Nothing in this Act shall require the disclosure of classified information.

“SEC. 4. GOVERNMENT ACCOUNTABILITY OFFICE REPORTING REQUIREMENT.

“Not later than January 1, 2010, the Comptroller General shall submit to Congress a report on compliance with this Act.”

FEDERAL FINANCIAL ASSISTANCE MANAGEMENT IMPROVEMENT

Pub. L. 106-107, Nov. 20, 1999, 113 Stat. 1486, as amended by Pub. L. 108-271, §8(b), July 7, 2004, 118 Stat. 814, provided that:

“SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘Federal Financial Assistance Management Improvement Act of 1999’.

“SEC. 2. FINDINGS.

“Congress finds that—

“(1) there are over 600 different Federal financial assistance programs to implement domestic policy;

“(2) while the assistance described in paragraph (1) has been directed at critical problems, some Federal administrative requirements may be duplicative, burdensome or conflicting, thus impeding cost-effective delivery of services at the local level;

“(3) the Nation’s State, local, and tribal governments and private, nonprofit organizations are dealing with increasingly complex problems which require the delivery and coordination of many kinds of services; and

“(4) streamlining and simplification of Federal financial assistance administrative procedures and reporting requirements will improve the delivery of services to the public.

“SEC. 3. PURPOSES.

“The purposes of this Act are to—

“(1) improve the effectiveness and performance of Federal financial assistance programs;

“(2) simplify Federal financial assistance application and reporting requirements;

“(3) improve the delivery of services to the public; and

“(4) facilitate greater coordination among those responsible for delivering such services.

“SEC. 4. DEFINITIONS.

“In this Act:

“(1) DIRECTOR.—The term ‘Director’ means the Director of the Office of Management and Budget.

“(2) FEDERAL AGENCY.—The term ‘Federal agency’ means any agency as defined under section 551(1) of title 5, United States Code.

“(3) FEDERAL FINANCIAL ASSISTANCE.—The term ‘Federal financial assistance’ has the same meaning as defined in section 7501(a)(5) of title 31, United States Code, under which Federal financial assistance is provided, directly or indirectly, to a non-Federal entity.

“(4) LOCAL GOVERNMENT.—The term ‘local government’ means a political subdivision of a State that is a unit of general local government (as defined under section 7501(a)(11) of title 31, United States Code).

“(5) NON-FEDERAL ENTITY.—The term ‘non-Federal entity’ means a State, local government, or nonprofit organization.

“(6) NONPROFIT ORGANIZATION.—The term ‘nonprofit organization’ means any corporation, trust, association, cooperative, or other organization that—

“(A) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

“(B) is not organized primarily for profit; and

“(C) uses net proceeds to maintain, improve, or expand the operations of the organization.

“(7) STATE.—The term ‘State’ means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and any instrumentality thereof, any

multi-State, regional, or interstate entity which has governmental functions, and any Indian Tribal Government.

“(8) TRIBAL GOVERNMENT.—The term ‘tribal government’ means an Indian tribe, as that term is defined in section 7501(a)(9) of title 31, United States Code.

“(9) UNIFORM ADMINISTRATIVE RULE.—The term ‘uniform administrative rule’ means a Governmentwide uniform rule for any generally applicable requirement established to achieve national policy objectives that applies to multiple Federal financial assistance programs across Federal agencies.

“SEC. 5. DUTIES OF FEDERAL AGENCIES.

“(a) IN GENERAL.—Except as provided under subsection (b), not later than 18 months after the date of the enactment of this Act [Nov. 20, 1999], each Federal agency shall develop and implement a plan that—

“(1) streamlines and simplifies the application, administrative, and reporting procedures for Federal financial assistance programs administered by the agency;

“(2) demonstrates active participation in the inter-agency process under section 6(a)(2);

“(3) demonstrates appropriate agency use, or plans for use, of the common application and reporting system developed under section 6(a)(1);

“(4) designates a lead agency official for carrying out the responsibilities of the agency under this Act;

“(5) allows applicants to electronically apply for, and report on the use of, funds from the Federal financial assistance program administered by the agency;

“(6) ensures recipients of Federal financial assistance provide timely, complete, and high quality information in response to Federal reporting requirements; and

“(7) in cooperation with recipients of Federal financial assistance, establishes specific annual goals and objectives to further the purposes of this Act and measure annual performance in achieving those goals and objectives, which may be done as part of the agency’s annual planning responsibilities under the Government Performance and Results Act of 1993 (Public Law 103-62; 107 Stat. 285) [see Short Title of 1993 Amendment note set out under section 1101 of title].

“(b) EXTENSION.—If a Federal agency is unable to comply with subsection (a), the Director may extend for up to 12 months the period for the agency to develop and implement a plan in accordance with subsection (a).

“(c) COMMENT AND CONSULTATION ON AGENCY PLANS.—

“(1) COMMENT.—Each agency shall publish the plan developed under subsection (a) in the Federal Register and shall receive public comment of the plan through the Federal Register and other means (including electronic means). To the maximum extent practicable, each Federal agency shall hold public forums on the plan.

“(2) CONSULTATION.—The lead official designated under subsection (a)(4) shall consult with representatives of non-Federal entities during development and implementation of the plan. Consultation with representatives of State, local, and tribal governments shall be in accordance with section 204 of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1534).

“(d) SUBMISSION OF PLAN.—Each Federal agency shall submit the plan developed under subsection (a) to the Director and Congress and report annually thereafter on the implementation of the plan and performance of the agency in meeting the goals and objectives specified under subsection (a)(7). Such report may be included as part of any of the general management reports required under law.

“SEC. 6. DUTIES OF THE DIRECTOR.

“(a) IN GENERAL.—The Director, in consultation with agency heads and representatives of non-Federal entities, shall direct, coordinate, and assist Federal agencies in establishing—

“(1) a common application and reporting system, including—

“(A) a common application or set of common applications, wherein a non-Federal entity can apply for Federal financial assistance from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies;

“(B) a common system, including electronic processes, wherein a non-Federal entity can apply for, manage, and report on the use of funding from multiple Federal financial assistance programs that serve similar purposes and are administered by different Federal agencies; and

“(C) uniform administrative rules for Federal financial assistance programs across different Federal agencies; and

“(2) an interagency process for addressing—

“(A) ways to streamline and simplify Federal financial assistance administrative procedures and reporting requirements for non-Federal entities;

“(B) improved interagency and intergovernmental coordination of information collection and sharing of data pertaining to Federal financial assistance programs, including appropriate information sharing consistent with section 552a of title 5, United States Code; and

“(C) improvements in the timeliness, completeness, and quality of information received by Federal agencies from recipients of Federal financial assistance.

“(b) LEAD AGENCY AND WORKING GROUPS.—The Director may designate a lead agency to assist the Director in carrying out the responsibilities under this section. The Director may use interagency working groups to assist in carrying out such responsibilities.

“(c) REVIEW OF PLANS AND REPORTS.—Upon the request of the Director, agencies shall submit to the Director, for the Director’s review, information and other reporting regarding agency implementation of this Act.

“(d) EXEMPTIONS.—The Director may exempt any Federal agency or Federal financial assistance program from the requirements of this Act if the Director determines that the Federal agency does not have a significant number of Federal financial assistance programs. The Director shall maintain a list of exempted agencies which shall be available to the public through the Office of Management and Budget’s Internet site.

“(e) REPORT ON RECOMMENDED CHANGES IN LAW.—Not later than 18 months after the date of the enactment of this Act [Nov. 20, 1999], the Director shall submit to Congress a report containing recommendations for changes in law to improve the effectiveness, performance, and coordination of Federal financial assistance programs.

“(f) DEADLINE.—All actions required under this section shall be carried out not later than 18 months after the date of the enactment of this Act [Nov. 20, 1999].

“SEC. 7. EVALUATION.

“(a) IN GENERAL.—The Government Accountability Office shall evaluate the effectiveness of this Act. Not later than 6 years after the date of the enactment of this Act [Nov. 20, 1999], the evaluation shall be submitted to the lead agency, the Director, and Congress. The evaluation shall be performed with input from State, local, and tribal governments, and nonprofit organizations.

“(b) CONTENTS.—The evaluation under subsection (a) shall—

“(1) assess the effectiveness of this Act in meeting the purposes of this Act and make specific recommendations to further the implementation of this Act;

“(2) evaluate actual performance of each agency in achieving the goals and objectives stated in agency plans; and

“(3) assess the level of coordination among the Director, Federal agencies, State, local, and tribal governments, and nonprofit organizations in implementing this Act.

“SEC. 8. COLLECTION OF INFORMATION.

“Nothing in this Act shall be construed to prevent the Director or any Federal agency from gathering, or to exempt any recipient of Federal financial assistance from providing, information that is required for review of the financial integrity or quality of services of an activity assisted by a Federal financial assistance program.

“SEC. 9. JUDICIAL REVIEW.

“There shall be no judicial review of compliance or noncompliance with any of the provisions of this Act. No provision of this Act shall be construed to create any right or benefit, substantive or procedural, enforceable by any administrative or judicial action.

“SEC. 10. STATUTORY REQUIREMENTS.

“Nothing in this Act shall be construed as a means to deviate from the statutory requirements relating to applicable Federal financial assistance programs.

“SEC. 11. EFFECTIVE DATE AND SUNSET.

“This Act shall take effect on the date of the enactment of this Act [Nov. 20, 1999] and shall cease to be effective 8 years after such date of enactment.”

UNIFORM SUSPENSION, DEBARMENT OR EXCLUSION FROM PROCUREMENT OR NONPROCUREMENT ACTIVITY

Pub. L. 103-355, title II, §2455, Oct. 13, 1994, 108 Stat. 3327, as amended by Pub. L. 111-84, div. A, title VIII, §815, Oct. 28, 2009, 123 Stat. 2408, provided that:

“(a) REQUIREMENT FOR REGULATIONS.—Regulations shall be issued providing that provisions for the debarment, suspension, or other exclusion of a participant in a procurement activity under the Federal Acquisition Regulation, or in a nonprocurement activity under regulations issued pursuant to Executive Order No. 12549 [set out below], shall have government-wide effect. No agency shall allow a party to participate in any procurement or nonprocurement activity if any agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion agreement) that party from participation in a procurement or nonprocurement activity.

“(b) AUTHORITY TO GRANT EXCEPTION.—The regulations issued pursuant to subsection (a) shall provide that an agency may grant an exception permitting a debarred, suspended, or otherwise excluded party to participate in procurement activities of that agency to the extent exceptions are authorized under the Federal Acquisition Regulation, or to participate in nonprocurement activities of that agency to the extent exceptions are authorized under regulations issued pursuant to Executive Order No. 12549.

“(c) DEFINITIONS.—In this section:

“(1) The term ‘procurement activities’ means all acquisition programs and activities of the Federal Government, as defined in the Federal Acquisition Regulation. Such term includes subcontracts at any tier, other than subcontracts for commercially available off-the-shelf items (as defined in section 35(c) of the Office of Federal Procurement Policy Act ([former] 41 U.S.C. 431(c)) [now 41 U.S.C. 104]), except that in the case of a contract for commercial items, such term includes only first-tier subcontracts.

“(2) The term ‘nonprocurement activities’ means all programs and activities involving Federal financial and nonfinancial assistance and benefits, as covered by Executive Order No. 12549 and the Office of Management and Budget guidelines implementing that order.

“(3) The term ‘agency’ means an Executive agency as defined in section 103 of title 5, United States Code.”

TRANSFER OF PERSONNEL, PROPERTY, RECORDS, AND APPROPRIATIONS

Section 7 of Pub. L. 98-169 provided that: “The Director of the Office of Management and Budget shall transfer to the Administrator of General Services such

personnel, property, records, and unexpended balances of appropriations available in connection with any authorities and responsibilities so transferred, as the Director of the Office of Management and Budget determines are necessary to carry out the responsibilities transferred pursuant to this Act [enacting sections 6105 and 6106 of this title, amending sections 6101 to 6104 of this title and repealing section 6105 of this title].”

EX. ORD. NO. 12549. DEBARMENT AND SUSPENSION OF PARTICIPANTS IN FEDERAL PROGRAMS

Ex. Ord. No. 12549, Feb. 18, 1986, 51 F.R. 6370, provided: By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to curb fraud, waste, and abuse in Federal programs, increase agency accountability, and ensure consistency among agency regulations concerning debarment and suspension of participants in Federal programs, it is hereby ordered that:

SECTION 1. (a) To the extent permitted by law and subject to the limitations in Section 1(c), Executive departments and agencies shall participate in a system for debarment and suspension from programs and activities involving Federal financial and nonfinancial assistance and benefits. Debarment or suspension of a participant in a program by one agency shall have government-wide effect.

(b) Activities covered by this Order include but are not limited to: grants, cooperative agreements, contracts of assistance, loans, and loan guarantees.

(c) This Order does not cover procurement programs and activities, direct Federal statutory entitlements or mandatory awards, direct awards to foreign governments or public international organizations, benefits to an individual as a personal entitlement, or Federal employment.

SEC. 2. To the extent permitted by law, Executive departments and agencies shall:

(a) Follow government-wide criteria and government-wide minimum due process procedures when they act to debar or suspend participants in affected programs.

(b) Send to the agency designated pursuant to Section 5 identifying information concerning debarred and suspended participants in affected programs, participants who have agreed to exclusion from participation, and participants declared ineligible under applicable law, including Executive Orders. This information shall be included in the list to be maintained pursuant to Section 5.

(c) Not allow a party to participate in any affected program if any Executive department or agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion agreement) that party from participation in an affected program. An agency may grant an exception permitting a debarred, suspended, or excluded party to participate in a particular transaction upon a written determination by the agency head or authorized designee stating the reason(s) for deviating from this Presidential policy. However, I intend that exceptions to this policy should be granted only infrequently.

SEC. 3. Executive departments and agencies shall issue regulations governing their implementation of this Order that shall be consistent with the guidelines issued under Section 6. Proposed regulations shall be submitted to the Office of Management and Budget for review within four months of the date of the guidelines issued under Section 6. The Director of the Office of Management and Budget may return for reconsideration proposed regulations that the Director believes are inconsistent with the guidelines. Final regulations shall be published within twelve months of the date of the guidelines.

SEC. 4. There is hereby constituted the Interagency Committee on Debarment and Suspension, which shall monitor implementation of this Order. The Committee shall consist of representatives of agencies designated by the Director of the Office of Management and Budget.

SEC. 5. The Director of the Office of Management and Budget shall designate a Federal agency to perform the

following functions: maintain a current list of all individuals and organizations excluded from program participation under this Order, periodically distribute the list to Federal agencies, and study the feasibility of automating the list; coordinate with the lead agency responsible for government-wide debarment and suspension of contractors; chair the Interagency Committee established by Section 4; and report periodically to the Director on implementation of this Order, with the first report due within two years of the date of the Order.

SEC. 6. The Director of the Office of Management and Budget is authorized to issue guidelines to Executive departments and agencies that govern which programs and activities are covered by this Order, prescribe government-wide criteria and government-wide minimum due process procedures, and set forth other related details for the effective administration of the guidelines.

SEC. 7. The Director of the Office of Management and Budget shall report to the President within three years of the date of this Order on Federal agency compliance with the Order, including the number of exceptions made under Section 2(c), and shall make such recommendations as are appropriate further to curb fraud, waste, and abuse.

RONALD REAGAN.

EX. ORD. NO. 12689. DEBARMENT AND SUSPENSION

Ex. Ord. No. 12689, Aug. 16, 1989, 54 F.R. 34131, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to protect the interest of the Federal Government, to deal only with responsible persons, and to insure proper management and integrity in Federal activities, it is hereby ordered as follows:

SECTION 1. *Definitions.* For purposes of this order:

(a) “Procurement activities” refers to all acquisition programs and activities of the Federal Government, as defined in the Federal Acquisition Regulation.

(b) “Nonprocurement activities” refers to all programs and activities involving Federal financial and nonfinancial assistance and benefits, as covered by Executive Order No. 12549 [set out above] and the Office of Management and Budget guidelines implementing that order.

(c) “Agency” refers to executive departments and agencies.

SEC. 2. *Governmentwide Effect.*

(a) To the extent permitted by law and upon resolution of differences and promulgation of final regulations pursuant to section 3 of this order, the debarment, suspension, or other exclusion of a participant in a procurement activity under the Federal Acquisition Regulation, or in a nonprocurement activity under regulations issued pursuant to Executive Order No. 12549, shall have governmentwide effect. No agency shall allow a party to participate in any procurement or nonprocurement activity if any agency has debarred, suspended, or otherwise excluded (to the extent specified in the exclusion agreement) that party from participation in a procurement or nonprocurement activity.

(b) An agency may grant an exception permitting a debarred, suspended, or otherwise excluded party to participate in procurement activities of that agency to the extent exceptions are authorized under the Federal Acquisition Regulation, or to participate in nonprocurement activities of that agency to the extent exceptions are authorized under regulations issued pursuant to Executive Order No. 12549.

SEC. 3. *Implementation.*

(a) The Office of Management and Budget may assist Federal agencies in resolving differences between the provisions contained in the Federal Acquisition Regulation and in regulations issued pursuant to Executive Order No. 12549. The Office of Management and Budget may determine the date of resolution of differences and then shall notify affected agencies of that date.

(b) To implement this order, proposed regulations amending the Federal Acquisition Regulation and the

agency regulations issued pursuant to Executive Order No. 12549 shall be published simultaneously within 6 months of the resolution of differences.

(c) Final regulations shall be published simultaneously within 12 months of the publication of the proposed regulations, to be effective 30 days thereafter.

GEORGE BUSH.

§ 6102. Program information requirements

(a) The Director shall collect and review information on domestic assistance programs and shall provide such information to the Administrator. The information on each domestic assistance program shall include the following:

- (1) identification of the program by—
 - (A) title;
 - (B) authorizing law;
 - (C) administering office; and
 - (D) an identifying number assigned by the Director.
- (2) a description of the—
 - (A) program;
 - (B) objectives of the program;
 - (C) types of activities financed under the program;
 - (D) eligibility requirements;
 - (E) types of assistance;
 - (F) uses, and restrictions on the use, of assistance; and
 - (G) duties of recipients under the program.

(3) a specification of each formula governing eligibility for assistance or the distribution of assistance under the program, which shall be described through the use of—

- (A) the language used to specify each such formula in the law authorizing the program;
- (B) the language used to specify each such formula in any Federal rule promulgated pursuant to the law authorizing the program; or
- (C) a mathematical statement which is derived from the language referred to in subparagraphs (A) and (B) of this paragraph;

(4) a description of all data and statistical estimates used to carry out each formula specified pursuant to paragraph (3), and an identification of the sources of such data and estimates;

(5) financial information, including the—

- (A) amounts appropriated for the current fiscal year or, if unavailable, the amounts requested by the President and the amounts obligated; and
- (B) average amounts of awards made in past years.

(6) identification of information contacts, including the administering office and regional and local offices with their addresses and telephone numbers.

(7) a general description of—

- (A) the application requirements and procedures; and
- (B) to the extent practical, an estimate of the time required to process the application.

(b) On request of the Director, an agency shall give to the Director current information on all domestic assistance programs administered by the agency. The Director shall be responsible for ensuring that the Administrator incorporates

all relevant information received on a regular basis.

(c) The Administrator—

(1) shall ensure that information and catalogs under this chapter are made available to the public at reasonable prices;

(2) may develop information services to assist State and local governments in identifying and obtaining sources of assistance;

(3) shall ensure that the information in the computerized system is made current on a regular basis and that the printed catalog and supplements thereto contain the most current data available at the time of printing; and

(4) shall transmit annually the information compiled under paragraphs (3) and (4) of subsection (a) to the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1001; Pub. L. 98-169, §§1(2), 2, 3(b), (c), Nov. 29, 1983, 97 Stat. 1113, 1114.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
6102(a).	31:1703(a)	Dec. 28, 1977, Pub. L. 95-220, §§4, 5(d), (e), 91 Stat. 1615, 1616.
6102(b)	31:1703(b).	
6102(c)	31:1704(d), (e).	

In subsection (a), before clause (1), the words in parentheses are omitted as unnecessary because of the restatement. The words “information on domestic assistance programs. The information on each domestic assistance program shall include the following” are substituted for “a Federal Assistance Information Data Base . . . For each Federal domestic assistance program the data base shall” for clarity and consistency. In clause (1)(A), the word “law” is substituted for “statute” for consistency. In clause (2)(H), the word “obligations” is omitted as surplus.

In subsection (c)(1), the word “catalogs” is added for clarity.

In subsection (c)(2), the words “further”, “officials”, and “Federal” are omitted as unnecessary.

AMENDMENTS

1983—Subsec. (a). Pub. L. 98-169, §2(1), substituted “collect and review information on domestic assistance programs and shall provide such information to the Administrator” for “prepare and maintain information on domestic assistance programs”.

Pub. L. 98-169, §1(2), substituted “Director” for “Director of the Office of Management and Budget”.

Subsec. (a)(2)(E) to (H). Pub. L. 98-169, §3(b)(1), struck out subpar. (E) relating to formulas governing distribution of amounts, and redesignated subpars. (F) to (H) as (E) to (G), respectively.

Subsec. (a)(3) to (7). Pub. L. 98-169, §3(b)(2), (3), added pars. (3) and (4) and redesignated former pars. (3) to (5) as (5) to (7), respectively.

Subsec. (b). Pub. L. 98-169, §2(2), substituted “The Director shall be responsible for ensuring that the Administrator incorporates all relevant information received on a regular basis” for “The Director shall incorporate on a regular basis all relevant information received”.

Subsec. (c). Pub. L. 98-169, §2(3), substituted “Administrator” for “Director”.

Subsec. (c)(3). Pub. L. 98-169, §2(4), added par. (3).

Subsec. (c)(4). Pub. L. 98-169, §3(c), added par. (4).

CHANGE OF NAME

Committee on Governmental Affairs of Senate changed to Committee on Homeland Security and Gov-

ernmental Affairs of Senate, effective Jan. 4, 2005, by Senate Resolution No. 445, One Hundred Eighth Congress, Oct. 9, 2004.

Committee on Government Operations of House of Representatives treated as referring to Committee on Government Reform and Oversight of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Government Reform and Oversight of House of Representatives changed to Committee on Government Reform of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999. Committee on Government Reform of House of Representatives changed to Committee on Oversight and Government Reform of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c)(4) of this section relating to annually transmitting information to certain committees of Congress, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of this title, and page 173 of House Document No. 103-7.

CONSOLIDATED FEDERAL FUNDS REPORT

Pub. L. 97-326, Oct. 15, 1982, 96 Stat. 1607, as amended by Pub. L. 97-452, §4(b), Jan. 12, 1983, 96 Stat. 2480, known as the "Consolidated Federal Funds Report Act of 1982", which required the Director of the Office of Management and Budget to prepare Consolidated Federal Funds Reports for the fiscal years 1981 through 1985, was repealed by Pub. L. 99-547, §2(d), Oct. 27, 1986, 100 Stat. 3060, effective May 1, 1986.

§ 6102a. Assistance awards information system

- (a) The Director shall—
(1) maintain the United States Government assistance awards information system established as a result of the study conducted under section 9 of the Federal Program Information Act; and
(2) update the system on a quarterly basis.
(b) To carry out subsection (a) of this section, the Director—
(1) may delegate the responsibility for carrying out subsection (a) of this section to the head of another executive agency;
(2) shall review a report the head of an agency submits to the Director on the method of carrying out subsection (a) of this section; and
(3) may validate, by appropriate means, the method by which an agency prepares the report.
(c) The Director shall transmit promptly after the end of each calendar quarter, free of charge, the data in the system required by subsection (a) to the Committee on Rules and Administration of the Senate and to the Committee on House Oversight of the House of Representatives.

(Added Pub. L. 97-452, §1(23)(A), Jan. 12, 1983, 96 Stat. 2477; amended Pub. L. 98-169, §1(2), Nov. 29, 1983, 97 Stat. 1113; Pub. L. 99-547, §2(b)(1), Oct. 27, 1986, 100 Stat. 3060; Pub. L. 104-186, title II, §219(b)(2), Aug. 20, 1996, 110 Stat. 1748.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 1: 6102a, 31 App.:6102(note), Oct. 15, 1982, Pub. L. 97-326, §8, 96 Stat. 1609.

In subsection (a)(1), the words "operate and" are omitted as surplus. The words "United States Government" are substituted for "Federal" for consistency in the revised title and with other titles of the United States Code. The words "information system" are substituted for "data system" for consistency with 31:6102. The words "by the Director" are omitted as surplus.

In subsection (b)(1), the words "the head of another executive agency" are substituted for "any authority of the executive branch of the Federal Government" for consistency in the revised title and with other titles of the Code.

In subsection (b)(2), the words "the head of" are added for consistency in the revised title and with other titles of the Code.

REFERENCES IN TEXT

Section 9 of the Federal Program Information Act, referred to in subsec. (a)(1), is section 9 of Pub. L. 95-220, Dec. 28, 1977, 91 Stat. 1617, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1068.

AMENDMENTS

- 1996—Subsec. (c). Pub. L. 104-186 substituted "House Oversight" for "House Administration".
1986—Subsec. (c). Pub. L. 99-547 added subsec. (c).
1983—Subsec. (a). Pub. L. 98-169 substituted "Director" for "Director of the Office of Management and Budget".

CHANGE OF NAME

Committee on House Oversight of House of Representatives changed to Committee on House Administration of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999.

§ 6103. Access to computer information system

- (a) The Administrator shall maintain a computerized information system providing access to—
(1) the information described in paragraphs (1), (2), (5), (6), and (7) of section 6102(a) of this title; and
(2) such portions or summaries, as the Administrator considers appropriate, of the information described in paragraphs (3) and (4) of such section.
(b) To the greatest extent practicable, the Administrator shall provide for the widespread availability of the information by available computer terminals.
(c) When the Administrator decides the efficiency of the information system under subsection (a) of this section requires it, the Administrator may make contracts with private organizations to obtain computer time-sharing services, including—
(1) computer telecommunications networks;
(2) computer software; and
(3) associated services.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1002; Pub. L. 98-169, §§1(2), 3(d), 4, Nov. 29, 1983, 97 Stat. 1113, 1114.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 1: 6103, 31:1704(a)-(c), Dec. 28, 1977, Pub. L. 95-220, §5(a)-(c), 91 Stat. 1616.

In subsection (a), the words "establish and" are omitted as surplus. The word "information" is substituted for "data base" for consistency. The words "described in section 6102 of this title" are added for clarity.

In subsection (b), the words “contained in the data base” are omitted as unnecessary.

In subsection (c), the words “notwithstanding another provision of law to the contrary” and “but not limited to” are omitted as unnecessary.

AMENDMENTS

1983—Subsec. (a). Pub. L. 98-169, §3(d), amended subsec. (a) generally, substituting provisions requiring the Administrator to maintain a computerized information system providing access to the information described in section 6102(a)(1), (2), (5), (6), and (7) of this title and such portions or summaries, as the Administrator considers appropriate, of the information described in section 6102(a)(3), (4) of this title for provisions requiring the Director to maintain a computerized information system providing access to the information described in section 6102 of this title.

Pub. L. 98-169, §1(2), substituted “Director” for “Director of the Office of Management and Budget”.

Subsecs. (b), (c). Pub. L. 98-169, §4, substituted “Administrator” for “Director” wherever appearing.

§ 6104. Catalog of Federal domestic assistance programs

(a) The Administrator shall prepare and publish each year a catalog of domestic assistance programs.

(b) In a form selected by the Administrator, the catalog shall contain—

(1)(A) all substantive information on domestic assistance programs that, at the time the catalog is prepared, is in the system under paragraphs (1), (2), (5), (6), and (7) of section 6102(a) of this title; and

(B) such portions or summaries, as the Administrator considers appropriate, of the information on domestic assistance programs that, at the time the catalog is prepared, is in the system under paragraphs (3) and (4) of section 6102(a) of this title;

(2) information the Administrator decides may be helpful to a potential applicant for or beneficiary of assistance; and

(3) a detailed index.

(c) When the Administrator decides it is necessary, the Administrator shall prepare and publish—

(1) supplements to the catalog; and

(2) specialized compilations by function of information in the catalog.

(d) The Administrator may distribute a catalog without cost to each—

(1) member of Congress;

(2) department, agency, and instrumentality of the United States Government;

(3) State;

(4) general purpose unit of a local government;

(5) Indian tribe recognized by the United States Government;

(6) depository library of Government publications; and

(7) depository designated by the Administrator.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1002; Pub. L. 98-169, §1(2), 3(e), 4, Nov. 29, 1983, 97 Stat. 1113, 1114.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6104(a)	31:1705(a).	Dec. 28, 1977, Pub. L. 95-220, § 6, 91 Stat. 1616.

HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6104(b)	31:1705(d).	
6104(c)	31:1705(b), (c).	
6104(d)	31:1705(e).	

In subsection (a), the words in parentheses are omitted as unnecessary.

In subsection (b)(1), the word “Federal” is omitted as unnecessary. The words “system under section 6102(a) of this title” are substituted for “data base” for clarity and consistency.

In subsection (d), before clause (1), the text of 31:1705(e)(1) is omitted as unnecessary because of section 6102(c) of the revised title. The words “The Director” are added for clarity and consistency. The words “member of Congress” are substituted for “Members of Congress, Delegates, Resident Commissioners” for consistency. In clause (6), the words “depository library of United States Government publications” are substituted for “Federal deposit libraries” as being more precise. In clause (7), the word “depository” is substituted for “other local repositories” for clarity and to eliminate unnecessary words.

AMENDMENTS

1983—Subsec. (a). Pub. L. 98-169, §4, substituted “Administrator” for “Director”.

Pub. L. 98-169, §1(2), substituted “Director” for “Director of the Office of Management and Budget”.

Subsec. (b). Pub. L. 98-169, §4, substituted “Administrator” for “Director” in provisions preceding par. (1).

Subsec. (b)(1). Pub. L. 98-169, §3(e), amended par. (1) generally, substituting provisions requiring that the catalog contain all substantive information on domestic assistance programs that is in the system under section 6102(a)(1), (2), and (5)–(7) of this title, and such portions or summaries, as the Administrator considers appropriate, of information in the system under section 6102(a)(3), (4) of this title, at the time the catalog is prepared, for provision requiring that the catalog contain all such information in the system under section 6102(a) of this title at the time the catalog was prepared.

Subsecs. (b)(2), (c), (d). Pub. L. 98-169, §4, substituted “Administrator” for “Director” wherever appearing.

§ 6105. Oversight responsibility of Director

The Director shall have oversight responsibility for the exercise of all authorities and responsibilities in this chapter not specifically assigned to the Director.

(Added Pub. L. 98-169, §5, Nov. 29, 1983, 97 Stat. 1115.)

PRIOR PROVISIONS

A prior section 6105, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1002, related to authorization of appropriations to carry out this chapter, prior to repeal by section 5 of Pub. L. 98-169. See section 6106 of this title.

§ 6106. Authorization of appropriations

After October 1, 1983, there may be appropriated to the Administrator such sums as may be necessary to carry out the responsibilities of this chapter.

(Added Pub. L. 98-169, §5, Nov. 29, 1983, 97 Stat. 1115.)

CHAPTER 62—CONSOLIDATED FEDERAL FUNDS REPORT

Sec. 6201. Definitions.

- Sec.
- 6202. Content, form, and data for report.
- 6203. Printing and distribution of reports and machine-readable records.
- 6204. Delegation.
- 6205. Availability of information.
- 6206. Data consistency and uniformity of data elements.
- 6207. Authorization of appropriations.

PRIOR PROVISIONS

Provisions similar to this chapter were contained in Pub. L. 97-326, Oct. 15, 1982, 96 Stat. 1607, as amended, which was set out as a note under section 6102 of this title, prior to repeal by Pub. L. 99-547, §2(d), Oct. 27, 1986, 100 Stat. 3060, eff. May 1, 1986.

§ 6201. Definitions

As used in this chapter, the term—

- (1) "Director" means the Director of the Office of Management and Budget;
- (2) "State" means any State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Government of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands; and
- (3) "municipality" means any subcounty unit of general local government that received Federal assistance in the fiscal year that is the subject of the report.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3057.)

SHORT TITLE

Section 1 of Pub. L. 99-547 provided that: "This Act [enacting this chapter, amending sections 6101 and 6102a of this title, enacting provisions set out as a note under section 6102 of this title, and repealing provisions set out as a note under section 6102 of this title] may be cited as the 'Consolidated Federal Funds Report Amendments of 1985'."

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

§ 6202. Content, form, and data for report

(a) For fiscal years 1986, 1987, 1988, 1989, and 1990, not later than 180 days after the end of each fiscal year, the Director shall prepare a Consolidated Federal Funds Report presenting the total amount of Federal funds that were obligated for expenditure or expended in each State, county or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds during the preceding fiscal year. To the extent practicable, such categories shall be consistently constituted from year to year. The report shall be in the form described in subsection (b) and shall be based on the data referred to in subsection (c).

(b) The Director shall include in each report required by subsection (a)—

- (1) the total amount of Federal funds that were reported obligated for expenditure in each State, county or parish, congressional district, and municipality of the United States in appropriate general categories of Federal funds in the fiscal year preceding the fiscal year in which the report is made; or

(2) the total amount of Federal funds that were reported actually expended in each State, county or parish, congressional district, and municipality of the United States in appropriate categories in the fiscal year preceding the fiscal year in which the report is made.

(c) The report required by subsection (a) shall be based on the data included in—

- (1) the Federal assistance awards data system established pursuant to section 6102a of this title;
- (2) the Federal procurement data system established pursuant to section 1122(a)(4) of title 41;
- (3) the appropriate data files of the Office of Personnel Management;
- (4) the payroll, pension, and grants files of the Office of the Secretary of Defense;
- (5) the appropriate data files of the United States Postal Service and the Postal Regulatory Commission;
- (6) the data system used by the Bureau of the Census to prepare the annual Federal aid to States report;
- (7) the retirement and disability files of the United States Coast Guard, the Tennessee Valley Authority, the Commissioned Corps of the Public Health Service, the Commissioned Corps of the National Oceanic and Atmospheric Administration, and the Foreign Service;
- (8) the insurance claims files of the Federal Emergency Management Agency and the Department of Agriculture;
- (9) the grants files of the Legal Services Corporation;
- (10) the excess earned income tax credit file of the Internal Revenue Service;
- (11) the appropriate data files of the National Railroad Passenger Corporation; and
- (12) the payroll file of the Federal Bureau of Investigation.

(d) For the purposes of subsection (b), the general categories of Federal funds presented in each report required by subsection (a) shall include data with respect to grants, loans, purchases and contracts, cooperative agreements, direct Federal payments to individuals, pay of civilian employees of the Government, military pay, annuities, retirement pay, pensions, and disability compensation.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3057; amended Pub. L. 103-272, §4(f)(1)(T), July 5, 1994, 108 Stat. 1362; Pub. L. 109-435, title VI, §604(f), Dec. 20, 2006, 120 Stat. 3242; Pub. L. 111-350, §5(h)(9), Jan. 4, 2011, 124 Stat. 3849.)

AMENDMENTS

2011—Subsec. (c)(2). Pub. L. 111-350 substituted "section 1122(a)(4) of title 41" for "section 6(d)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(5))".

2006—Subsec. (c)(5). Pub. L. 109-435 substituted "Postal Regulatory Commission" for "Postal Rate Commission".

1994—Pub. L. 103-272 substituted "form," for "form" in section catchline.

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities

and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 6, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 6203. Printing and distribution of reports and machine-readable records

(a)(1) The Director shall—

(A) prepare—

(i) printed copies of each of the reports required by this chapter; and

(ii) machine-readable records of such reports; and

(B) make the printed copies of the reports and the machine-readable records available to the public for purchase at a price fixed under subsection (b).

(2) The Director shall transmit free of charge one of each of the printed copies of the reports required by this chapter to—

(A) each Federal regional depository library;

(B) the Committees on Government Operations, the Budget, and Appropriations of the House of Representatives; and

(C) the Committees on Governmental Affairs, the Budget, and Appropriations of the Senate.

(3) The Director shall also transmit promptly after the end of each calendar year, free of charge, one machine-readable record of the report required by section 6202 to the Committee on Rules and Administration of the Senate and to the Committee on House Oversight of the House of Representatives.

(4) Subject to subsection (b), the Director may, at his discretion, waive all or part of the fee required by subsection (a)(1)(B) of this section.

(b) In carrying out subsection (a)(1)(B), the Director shall, based on the estimates made under paragraphs (1) and (2) of this subsection, fix the price of each printed copy and each machine-readable record of the report so that the aggregate revenues obtained in each fiscal year under subsection (a) will cover as much as is feasible of the incremental costs incurred in making these reports and machine-readable records available for purchase by the public. In computing these costs the Director shall not consider the costs of the activities set forth in sections 6102a and 6205 of this title but shall consider—

(1) the cost of compiling the reports required by this chapter; preparing the printed copies

and machine-readable records under subsection (a); and distributing the printed copies and the machine-readable records of the report for each fiscal year; and

(2) the number of printed copies and the number of machine-readable records of the report that will be purchased.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3058; amended Pub. L. 104-186, title II, §219(b)(3), Aug. 20, 1996, 110 Stat. 1748.)

AMENDMENTS

1996—Subsec. (a)(3). Pub. L. 104-186 substituted “House Oversight” for “House Administration”.

CHANGE OF NAME

Committee on Governmental Affairs of Senate changed to Committee on Homeland Security and Governmental Affairs of Senate, effective Jan. 4, 2005, by Senate Resolution No. 445, One Hundred Eighth Congress, Oct. 9, 2004.

Committee on Government Operations of House of Representatives treated as referring to Committee on Government Reform and Oversight of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Government Reform and Oversight of House of Representatives changed to Committee on Government Reform of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999. Committee on Government Reform of House of Representatives changed to Committee on Oversight and Government Reform of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

Committee on House Oversight of House of Representatives changed to Committee on House Administration of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999.

§ 6204. Delegation

In order to carry out sections 6202 and 6203 of this chapter, the Director may delegate to any authority of the executive branch of the Federal Government the responsibility for carrying out such sections. The Director shall oversee the activities of any authority to which responsibilities are delegated under this section and shall monitor the compliance of each authority with respect to the requirements set forth in section 6205.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3059.)

§ 6205. Availability of information

Each head of any authority of the Government having custody of the data files and systems referred to in section 6202(c)—

(1) shall make available to the Director (or other authority to which the Director has delegated the responsibility to carry out such section) the information requested in the form designated; and

(2) is authorized to make available to the Director (or such other authority) such administrative services, equipment, personnel, and facilities (and funds appropriated therefor) as the Director or such authority requires to carry out such section.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3059.)

§ 6206. Data consistency and uniformity of data elements

The Director shall designate a single organizational unit to provide for data consistency and uniform reporting of data elements.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3059.)

§ 6207. Authorization of appropriations

There are authorized to be appropriated to carry out this chapter such sums as may be necessary for each of the fiscal years 1986, 1987, 1988, 1989, and 1990.

(Added Pub. L. 99-547, §2(a), Oct. 27, 1986, 100 Stat. 3060.)

CHAPTER 63—USING PROCUREMENT CONTRACTS AND GRANT AND COOPERATIVE AGREEMENTS

- Sec. 6301. Purposes. 6302. Definitions. 6303. Using procurement contracts. 6304. Using grant agreements. 6305. Using cooperative agreements. 6306. Authority to vest title in tangible personal property for research. 6307. Interpretative guidelines and exemptions. 6308. Use of multiple relationships for different parts of jointly financed projects.

§ 6301. Purposes

The purposes of this chapter are to—

(1) promote a better understanding of United States Government expenditures and help eliminate unnecessary administrative requirements on recipients of Government awards by characterizing the relationship between executive agencies and contractors, States, local governments, and other recipients in acquiring property and services and in providing United States Government assistance;

(2) prescribe criteria for executive agencies in selecting appropriate legal instruments to achieve—

- (A) uniformity in their use by executive agencies; (B) a clear definition of the relationships they reflect; and (C) a better understanding of the responsibilities of the parties to them; and

(3) promote increased discipline in selecting and using procurement contracts, grant agreements, and cooperative agreements, maximize competition in making procurement contracts, and encourage competition in making grants and cooperative agreements.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1003.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 1: 6301, 41:501, Feb. 3, 1978, Pub. L. 95-224, §2, 92 Stat. 3.

In the chapter, the words "procurement contract" are substituted for "contract" for consistency.

The text of 41:501(a) and (b)(4) is omitted as executed.

ENVIRONMENTAL PROTECTION AGENCY; AGREEMENTS AND GRANTS AFFECTING REAL PROPERTY IN THE DISTRICT OF COLUMBIA

Pub. L. 106-522, §153, Nov. 22, 2000, 114 Stat. 2474, provided that:

"(a) Nothing in the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301 et seq.) may be construed to prohibit the Administrator of the Environmental Protection Agency from negotiating and entering into cooperative agreements and grants authorized by law which affect real property of the Federal Government in the District of Columbia if the principal purpose of the cooperative agreement or grant is to provide comparable benefits for Federal and non-Federal properties in the District of Columbia.

"(b) Subsection (a) shall apply with respect to fiscal year 2001 and each succeeding fiscal year."

Similar provisions were contained in Pub. L. 106-553, §1(a)(1) [§153], Dec. 21, 2000, 114 Stat. 2762, 2762A-37, which was repealed, and deemed for all purposes to have never been enacted, by Pub. L. 106-554, §1(a)(4) [div. A, §406(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A-189, effective as if included in Pub. L. 106-553 on the date of its enactment. See section 1(a)(4) [div. A, §406] of Pub. L. 106-554, set out as an Effective Date and Construction of 2000 Amendment, under section 1155 of Title 20, Education.

§ 6302. Definitions

In this chapter—

(1) "executive agency" does not include a mixed-ownership Government corporation.

(2) "grant agreement" and "cooperative agreement" do not include an agreement under which is provided only—

- (A) direct United States Government cash assistance to an individual; (B) a subsidy; (C) a loan; (D) a loan guarantee; or (E) insurance.

(3) "local government" means a unit of government in a State, a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, an interstate entity, or another instrumentality of a local government.

(4) "other recipient" means a person or recipient (except a State or local government) authorized to receive United States Government assistance or procurement contracts and includes a charitable or educational institution.

(5) "State" means a State of the United States, the District of Columbia, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1003.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Rows 1-5: 6302(1) to 6302(5) with corresponding U.S. Code and Statutes at Large references.

Clause (3) restates the source provisions because of the definition of "executive agency" in section 102 of

the revised title. The words “a county, municipality, city, town, township” are omitted as being included in “a unit of government in a State”.

In clause (5), the words “the Commonwealth of Puerto Rico” are omitted as being included in “territory or possession of the United States” and as unnecessary because of 48:734. The words “duties and powers” are substituted for “functions” for consistency in the revised title and with other titles of the United States Code.

§ 6303. Using procurement contracts

An executive agency shall use a procurement contract as the legal instrument reflecting a relationship between the United States Government and a State, a local government, or other recipient when—

(1) the principal purpose of the instrument is to acquire (by purchase, lease, or barter) property or services for the direct benefit or use of the United States Government; or

(2) the agency decides in a specific instance that the use of a procurement contract is appropriate.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 6303: Revised Section 6303, Source 41:503, Source Feb. 3, 1978, Pub. L. 95-224, § 4, 92 Stat. 4.

The words “type of” are omitted as unnecessary. The word “decides” is substituted for “determines” for consistency.

§ 6304. Using grant agreements

An executive agency shall use a grant agreement as the legal instrument reflecting a relationship between the United States Government and a State, a local government, or other recipient when—

(1) the principal purpose of the relationship is to transfer a thing of value to the State or local government or other recipient to carry out a public purpose of support or stimulation authorized by a law of the United States instead of acquiring (by purchase, lease, or barter) property or services for the direct benefit or use of the United States Government; and

(2) substantial involvement is not expected between the executive agency and the State, local government, or other recipient when carrying out the activity contemplated in the agreement.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 6304: Revised Section 6304, Source 41:504, Source Feb. 3, 1978, Pub. L. 95-224, § 5, 92 Stat. 4.

The words “type of” are omitted as unnecessary. The words “money, property, services” are omitted as being included in “a thing of value”. The words “in order” are omitted as surplus. The words “law of the United States” are substituted for “Federal statute” for consistency.

§ 6305. Using cooperative agreements

An executive agency shall use a cooperative agreement as the legal instrument reflecting a

relationship between the United States Government and a State, a local government, or other recipient when—

(1) the principal purpose of the relationship is to transfer a thing of value to the State, local government, or other recipient to carry out a public purpose of support or stimulation authorized by a law of the United States instead of acquiring (by purchase, lease, or barter) property or services for the direct benefit or use of the United States Government; and

(2) substantial involvement is expected between the executive agency and the State, local government, or other recipient when carrying out the activity contemplated in the agreement.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 6305: Revised Section 6305, Source 41:505, Source Feb. 3, 1978, Pub. L. 95-224, § 6, 92 Stat. 5.

The words “type of” are omitted as unnecessary. The words “money, property, services” are omitted as being included in “a thing of value”. The words “law of the United States” are substituted for “Federal statute” for consistency.

IMPLEMENTATION OF NORTH AMERICAN WETLANDS CONSERVATION ACT AND NORTH AMERICAN WATERFOWL MANAGEMENT PLAN

Pub. L. 102-154, title I, Nov. 13, 1991, 105 Stat. 995, provided that: “Notwithstanding the provisions of the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301-6308), the Fish and Wildlife Service is hereafter authorized to negotiate and enter into cooperative arrangements and grants with public and private agencies, organizations, institutions, and individuals to implement on a public-private cost sharing basis, the North American Wetlands Conservation Act [16 U.S.C. 4401 et seq.] and the North American Waterfowl Management Plan”.

PRINTING OF EDUCATIONAL MATERIALS AND CONTINUATION OF CHALLENGE COST-SHARE PROGRAM

Pub. L. 102-154, title II, Nov. 13, 1991, 105 Stat. 1018, provided that: “Notwithstanding the provisions of the Federal Grant and Cooperative Agreements Act of 1977 (31 U.S.C. 6301-6308), the Forest Service is authorized hereafter to negotiate and enter into cooperative arrangements with public and private agencies, organizations, institutions, and individuals to print educational materials and to continue the Challenge Cost-Share Program.”

BUREAU OF LAND MANAGEMENT; AUTHORIZATION TO USE COOPERATIVE ARRANGEMENTS TO IMPLEMENT CHALLENGE COST-SHARE PROGRAMS

Pub. L. 101-512, title I, Nov. 5, 1990, 104 Stat. 1918, provided in part that: “the Bureau [of Land Management] is authorized hereafter to negotiate and enter into cooperative arrangements with public and private agencies, organizations, institutions, and individuals, to implement challenge cost-share programs.”

§ 6306. Authority to vest title in tangible personal property for research

The head of an executive agency may vest title in tangible personal property in a nonprofit institution of higher education or in a nonprofit organization whose primary purpose is conducting scientific research—

(1) when the property is bought with amounts provided under a procurement con-

tract, grant agreement, or cooperative agreement with the institution or organization to conduct basic or applied scientific research;

(2) when the head of the agency decides the vesting furthers the objectives of the agency;

(3) without further obligation to the United States Government; and

(4) under conditions the head of the agency considers appropriate.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1004.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6306	41:506.	Feb. 3, 1978, Pub. L. 95-224, § 7, 92 Stat. 5.

The text of 41:506(a) is omitted as unnecessary because it duplicates the requirements of sections 6303-6305 of the revised title. The word "equipment" is omitted as being included in "tangible personal property". The words "amounts provided under a contract, grant agreement, or cooperative agreement" are substituted for "such funds" for clarity. The words "decides the vesting" are substituted for "it is deemed" for clarity. The word "conditions" is substituted for "terms and conditions" because it is inclusive.

§ 6307. Interpretative guidelines and exemptions

The Director of the Office of Management and Budget may—

- (1) issue supplementary interpretative guidelines to promote consistent and efficient use of procurement contracts, grant agreements, and cooperative agreements; and
- (2) exempt a transaction or program of an executive agency from this chapter.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1005.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6307(1)	41:508.	Feb. 3, 1978, Pub. L. 95-224, § 9, 92 Stat. 6.
6307(2)	41:501(note).	Feb. 3, 1978, Pub. L. 95-224, § 10(d), 92 Stat. 6; Apr. 1, 1982, Pub. L. 97-162, 96 Stat. 23.

In clause (2), the word "exempt" is substituted for "except" for consistency.

§ 6308. Use of multiple relationships for different parts of jointly financed projects

This chapter does not require an executive agency to establish only one relationship between the United States Government and a State, a local government, or other recipient on a jointly financed project involving amounts from more than one program or appropriation when different relationships would otherwise be appropriate for different parts of the project.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1005.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6308	41:509.	Feb. 3, 1978, Pub. L. 95-224, § 10(c), 92 Stat. 6.

The word "financed" is substituted for "funded", and the word "amounts" is substituted for "funds", for consistency in the revised title.

CHAPTER 65—INTERGOVERNMENTAL COOPERATION

- Sec. 6501. Definitions.
- 6502. Information on grants received.
- 6503. Intergovernmental financing.
- 6504. Use of existing State or multitember agency to administer grant programs.
- 6505. Authority to provide specialized or technical services.
- 6506. Development assistance.
- 6507. Congressional review of grant programs.
- 6508. Studies and reports.

AMENDMENTS

1990—Pub. L. 101-453, §5(c), Oct. 24, 1990, 104 Stat. 1061, substituted "Intergovernmental financing" for "Transfer and deposit requirements" in item 6503.

§ 6501. Definitions

In this chapter—

(1) "assistance" means the transfer of anything of value for a public purpose of support or stimulation that is—

(A) authorized by a law of the United States;

(B) provided by the United States Government through grant or contractual arrangements (including technical assistance programs providing assistance by loan, loan guarantee, or insurance); and

(C) not an annual payment by the United States Government to the District of Columbia government under section 502 of the District of Columbia Home Rule Act (Public Law 93-198, 87 Stat. 813, D.C. Code, §47-3406).

(2) "comprehensive planning" includes, to the extent directly related to area needs or needs of a unit of general local government—

(A) preparation, as a guide for governmental policies and action, of general plans on—

(i) the pattern and intensity of land use;

(ii) providing public facilities (including transportation facilities) and other governmental services; and

(iii) the effective development and use of human and natural resources;

(B) long-range physical and fiscal plans for an action referred to in subparagraph (A);

(C) a program for capital improvements and other major expenditures based on their relative urgency, and definitive financing plans for the expenditures in the earlier years of the program;

(D) coordination of related plans and activities of States and local governments and agencies concerned; and

(E) preparation of regulatory and administrative measures to support the items referred to in subparagraphs (A), (B), (C), and (D).

(3) "executive agency" does not include a mixed-ownership Government corporation.

(4)(A) "grant" (except as provided in subparagraph (C)) means money, or property provided instead of money, that is paid or provided by the United States Government under a fixed annual or total authorization, to a State, to a local government, or to a bene-

ficiary under a plan or program administered by a State or a local government that is subject to approval by an executive agency, if the authorization—

(i) requires the State or local government to expend non-Government money as a condition of receiving money or property from the United States Government; or

(ii) specifies directly, or establishes by means of a formula, the amount that may be provided to the State or local government, or the amount to be allotted for use in each State by the State, local government, and beneficiaries.

(B) “grant” (except as provided in subparagraph (C)) also means money, or property provided instead of money, that is paid or provided by the United States Government to a private, nonprofit community organization eligible to receive amounts under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.).

(C) “grant” does not include—

(i) shared revenue;

(ii) payment of taxes;

(iii) payment instead of taxes;

(iv) a loan or repayable advance;

(v) surplus property or surplus agricultural commodities provided as surplus property;

(vi) a payment under a research and development procurement contract or grant awarded directly and on similar terms to all qualifying organizations; or

(vii) a payment to a State or local government as complete reimbursement for costs incurred in paying benefits or providing services to persons entitled to them under a law of the United States.

(5) “head of a State agency” includes the designated delegate of the head of the agency.

(6) “local government” means a unit of general local government, a school district, or other special district established under State law.

(7) “Secretary” means the Secretary of the Treasury.

(8) “special-purpose unit of local government” means a special district, public-purpose local government of a State except a school district.

(9) “State” means a State of the United States, the District of Columbia, a territory or possession of the United States, and an agency, instrumentality, or fiscal agent of a State but does not mean a local government of a State.

(10) “unit of general local government” means a county, city, town, village, or other general purpose political subdivision of a State.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1005; Pub. L. 97-452, §1(24), Jan. 12, 1983, 96 Stat. 2478; Pub. L. 101-453, §§3, 5(a), Oct. 24, 1990, 104 Stat. 1058, 1059; Pub. L. 105-33, title XI, §11717(b), Aug. 5, 1997, 111 Stat. 786.)

HISTORICAL AND REVISION NOTES
1982 ACT

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6501(1)	42:4201(7).	Oct. 16, 1968, Pub. L. 90-577, §§101-107, 109, 110, 82 Stat. 1098, 1100, 1101.
6501(2)	42:4201(9).	
6501(3)	42:4201(1).	
6501(4)	42:4201(6).	
6501(5)	42:4201(10).	
6501(6)	42:4201(3).	
6501(7)	42:4201(5).	
6501(8)	42:4201(2).	
6501(9)	42:4201(4).	

In clause (1), the word “assistance” is substituted for “Federal assistance”, “Federal assistance programs”, or “federally assisted programs” for consistency in the revised title and to have only one defined term in the chapter. The words “the transfer of anything of value for a public purpose of support or stimulation that is (A) authorized by a law of the United States” are substituted for “programs that provide assistance” for consistency with section 6101(3) of the revised title. The words “section 502 of the District of Columbia Self-Government and Governmental Reorganization Act (Public Law 93-198, 87 Stat. 813, D.C. Code §47-3406)” are substituted for “article VI of the District of Columbia Revenue Act of 1947 (D.C. Code secs. 47-2501a and 47-2501b)” because the former has superseded the latter.

Clause (3) restates the source provisions because of the definition of “executive agency” in section 102 of the revised title.

In clause (4)(A) and (B), the word “grant” is substituted for “grant” or “grant-in-aid” for consistency in the revised title and to have only one defined term in the chapter.

In clause (4)(B), the words “a private, nonprofit community organization eligible to receive amounts under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.)” are substituted for “a community action agency under the Economic Opportunity Act of 1964, as amended” because of section 683(c)(2) of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35, 95 Stat. 519).

In clause (4)(C), the words “whether public or private” are omitted as surplus. The words “law of the United States” are substituted for “Federal laws” for consistency.

In clause (5), the words “head of a Federal agency” are omitted as unnecessary because heads of Federal agencies already have the authority to delegate.

In clause (6), the words “local government” are substituted for “political subdivision” or “local government” for consistency in the revised title and to have only one defined term in the chapter. The words “unit of general local government” are substituted for “local unit of government, including specifically a county, municipality, city, town, township” to incorporate the definition in clause (9).

In clause (7), the words “public-purpose local government” are substituted for “public-purpose corporation or other strictly limited purpose political subdivision” to eliminate unnecessary words.

In clause (8), the words “the Commonwealth of Puerto Rico” are omitted as being included in “territory or possession of the United States” and as necessary because of 48:734.

In clause (9), the word “parish” is omitted as included in county because of 1:2.

1983 ACT

This amends 31:6501(1)(B) to clarify the section as enacted by the Act of Sept. 13, 1982 (Pub. L. 97-258, 96 Stat. 1005).

REFERENCES IN TEXT

The Community Services Block Grant Act, referred to in par. (4)(b), is subtitle B (§§671-683) of title VI of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 511, as amended,

which is classified generally to chapter 106 (§9901 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 9901 of Title 42 and Tables.

AMENDMENTS

1997—Par. (1)(C). Pub. L. 105-33 substituted “District of Columbia Home Rule Act” for “District of Columbia Self-Government and Governmental Reorganization Act”.

1990—Par. (2)(B). Pub. L. 101-453, §3(1), substituted “subparagraph (A)” for “subclause (A) of this clause (2)”.

Par. (2)(E). Pub. L. 101-453, §3(2), substituted “subparagraphs (A), (B), (C), and (D)” for “subclauses (A)–(D) of this clause (2)”.

Par. (4)(A). Pub. L. 101-453, §3(3), substituted “subparagraph (C)” for “subclause (C) of this clause (4)”.

Par. (4)(B). Pub. L. 101-453, §3(4), substituted “subparagraph (C)” for “subclause (C) of this clause (4)”.

Par. (7). Pub. L. 101-453, §5(a)(2), added par. (7). Former par. (7) redesignated (8).

Par. (8). Pub. L. 101-453, §5(a)(1), redesignated par. (7) as (8). Former par. (8) redesignated (9).

Par. (9). Pub. L. 101-453, §5(a)(1), (3), redesignated par. (8) as (9), added new text, and struck out former text which read as follows: “‘State’ means a State of the United States, the District of Columbia, a territory or possession of the United States, and an agency or instrumentality of a State but does not mean a local government of a State.” Former par. (9) redesignated (10).

Par. (10). Pub. L. 101-453, §5(a)(1), redesignated par. (9) as (10).

1983—Par. (1)(B). Pub. L. 97-452 struck out “the law of” after “provided by”.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-33 effective Oct. 1, 1997, except as otherwise provided in title XI of Pub. L. 105-33, see section 11721 of Pub. L. 105-33, set out as a note under section 4246 of Title 18, Crimes and Criminal Procedure.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment effective Sept. 13, 1982, see section 2(i) of Pub. L. 97-452, set out as a note under section 3331 of this title.

SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102-589, §1, Nov. 10, 1992, 106 Stat. 5133, provided that: “This Act [amending sections 3718 and 3720A of this title, enacting provisions set out as notes under section 3718 of this title, and amending provisions set out as notes under sections 3335, 3718, and 6503 of this title] may be cited as the ‘Cash Management Improvement Act Amendments of 1992’.”

SHORT TITLE OF 1990 AMENDMENT

Section 1 of Pub. L. 101-453 provided that: “This Act [enacting section 3335 of this title, amending this section and section 6503 of this title, and enacting provisions set out as notes under this section and sections 3335 and 6503 of this title] may be cited as the ‘Cash Management Improvement Act of 1990’.”

PURPOSE OF 1990 ACT

Section 2 of Pub. L. 101-453 provided that: “The purpose of this Act [see Short Title of 1990 Amendment note above] is to ensure greater efficiency, effectiveness, and equity in the exchange of funds between the Federal Government and the States.”

§ 6502. Information on grants received

On request of a chief executive officer of a State, a State legislature, or an official designated by either of them, an executive agency

carrying out a grant program to States and local governments shall provide the requesting officer or legislature with written information on the purpose and amounts of grants provided to the State or local government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1007.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6502	42:4211.	Oct. 16, 1968, Pub. L. 90-577, §201, 82 Stat. 1101.

The words “chief executive officer” are substituted for “Governor” because the definition of State includes the District of Columbia. The words “executive agency” are substituted for “department or agency of the United States Government” because of the definition in sections 102 and 6501(3) of the revised title. The words “shall provide the requesting officer or legislature” are substituted for the last sentence of 42:4211 to eliminate unnecessary words. The word “information” is substituted for “such data” because it is more accurate. The words “in writing” and “actual” are omitted as unnecessary.

§ 6503. Intergovernmental financing

(a) Consistent with program purposes and with regulations of the Secretary, and in accordance with an agreement under subsection (b) entered into by the Secretary and a State—

(1) the head of an executive agency (other than the Tennessee Valley Authority) carrying out a program shall schedule transfers of funds to the State under the program so as to minimize the time elapsing between transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payments by other means by a State; and

(2) the State shall minimize the time elapsing between transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payments by other means for program purposes.

(b)(1) The Secretary shall enter into an agreement with each State to which transfers of funds are made, which establishes procedures and requirements for implementing this section.

(2) An agreement under this subsection shall—

(A) specify procedures chosen by the State for carrying out transfers of funds under the agreement;

(B) describe the process by which the Federal Government shall review and approve the implementation of the procedures specified under subparagraph (A);

(C) establish the methods to be used for calculating and documenting payments of interest pursuant to this section; and

(D) specify those types of costs directly incurred by the State for interest calculations required under this section, and require the Secretary to consider those costs in computing payments under this section.

(3) The Secretary shall issue regulations establishing procedures and requirements for implementing this section with respect to a State with which no agreement is entered into by the Secretary under paragraph (1). Such regulations shall apply to a State until such time as the

Secretary enters into an agreement with the State under paragraph (1).

(c)(1) The Secretary shall issue regulations that shall require a State, when not inconsistent with program purposes, to pay interest to the United States on funds from the time funds are deposited by the United States to the State's account until the time that funds are paid out by the State in order to redeem checks or warrants or make payments by other means for program purposes. Except as provided under paragraph (3)(B) (relating to the Unemployment Trust Fund), the interest payable under this subsection shall be calculated at a rate equal to the average of the bond equivalent rates of 13-week Treasury bills auctioned during the period for which interest is calculated, as determined by the Secretary.

(2) Except as provided in paragraph (3), amounts received by the United States as payment of interest under this subsection shall be deposited in the Treasury and credited as miscellaneous receipts.

(3)(A) Amounts paid by a State under paragraph (1) as interest on funds paid to a State from a trust fund for which the Secretary is the trustee shall be credited to such trust fund.

(B) Notwithstanding any other provision of this section, amounts of interest paid by a State, on funds drawn from its account in the Unemployment Trust Fund, shall be deposited into that account and shall consist of actual interest earnings by the State, less related banking costs incurred by the State, for the period for which interest is calculated.

(d)(1) If a State disburses its own funds for program purposes in accordance with Federal law, Federal regulation, or Federal-State agreement, the State shall be entitled to interest from the time the State's funds are paid out to redeem checks or warrants, or make payments by other means, until the Federal funds are deposited to the State's bank account. The Secretary shall pay, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary for interest owed to a State under this subsection. Such interest shall be calculated, at a rate equal to the average of the bond equivalent rates of 13-week Treasury bills auctioned during the period for which interest is calculated, as determined by the Secretary.

(2) If interest is paid under this subsection as a result of a State disbursing its own funds before receiving payment from a trust fund for which the Secretary of the Treasury is the trustee, such interest shall be charged against such trust fund.

(e) The budget submitted by the President under section 1105 of this title for a fiscal year shall include a statement specifying, for the most recently completed fiscal year, amounts of interest accrued to the Federal Government under subsection (c) and amounts of interest paid to States under subsection (d).

(f) If a State receives refunds of funds disbursed by the State under a Federal program, the State shall return those refunds to the Federal executive agency administering the program or apply those refunds to reduce the amount of funds owed by the Federal Government to the State under such program. Interest

earned on such refunds shall be considered when setting overall interest obligations between the State and the Federal Government as required by this section.

(g) If the Federal Government makes a payment to a recipient under a Federal program, and a portion of the payment is an amount which the Federal Government is paying to such recipient on behalf of a State, such amount shall be considered to be a transfer of funds between the Federal Government and the State for purposes of this section.

(h) A State may not be required by a law or regulation of the United States to deposit funds received by it in a separate bank account. However, a State shall account for funds made available to the State as United States Government funds in the accounts of the State. The head of the State agency concerned shall make periodic authenticated reports to the head of the appropriate Federal executive agency on the status and the application of the funds, the liabilities and obligations on hand, and other information required by the head of the executive agency. Records related to the funds received by the State shall be made available to the head of the executive agency, the Inspector General of the executive agency, and the Comptroller General for necessary audits.

(i) The Secretary shall prescribe methods for the payment of interest under this section between the Federal Government and the States, including provisions for offsetting amounts owed by the respective parties. Such methods of payment shall require payment of interest on an annual basis and shall provide for comparable treatment in manner, technique, and timing for both the States and the Federal Government.

(j) Consistent with Federal program purposes and regulations of the Director of the Office of Management and Budget, the head of a Federal executive agency carrying out a program shall execute grant awards to States on a timely basis to assure the availability of funds to accomplish transfers in compliance with subsection (a) of this section.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1007; Pub. L. 101-453, § 5(b), Oct. 24, 1990, 104 Stat. 1059.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
6503(a)	42:4213.	Oct. 16, 1968, Pub. L. 90-577, §§ 202, 203, 82 Stat. 1101.
6503(b)	42:4212.	

In the section, the words "executive agency" are substituted for "Federal departments and agencies" because of the definition in sections 102 and 6501(3) of the revised title.

In subsection (a), the word "money" is substituted for "funds" for consistency in the section. The words "so as" and "United States" are omitted as surplus. The words "before or after" are substituted for "prior to or subsequent to" for consistency. The words "subsequent to such transfer of funds" are omitted as unnecessary the second time they are used.

In subsection (b), the words "apart from other funds administered by the state", "properly", "In each case", and "examination" are omitted as unnecessary. The word "money" is substituted for "all federal grant-in-aid funds" for consistency in the section. The words "United States Government grant money" are sub-

stituted for “Federal funds” for consistency in the revised title. The word “make” is substituted for “render”, the word “periodic” is substituted for “regular”, and the word “information” is substituted for “facts”, for clarity. The words “or any of their duly authorized representatives” are omitted as unnecessary. The words “Records shall be made available to . . . for auditing” are substituted for “shall have access for the purpose of audit and examination to any books, documents, papers, and records” for consistency in the revised title and with other titles of the United States Code.

AMENDMENTS

1990—Pub. L. 101-453 amended section generally, substituting provisions relating to intergovernmental financing for provisions relating to transfer and deposit requirements.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 5(e) of Pub. L. 101-453, as amended by Pub. L. 102-589, §2(2)(C), Nov. 10, 1992, 106 Stat. 5133, provided that: “The amendments made by this section [amending this section and section 6501 of this title] shall take effect on the date of enactment of this Act [Oct. 24, 1990], except that subsections (c) and (d) of section 6503 of title 31, United States Code, as added by subsection (b) of this section (relating to payments of interest between the Federal Government and State governments), shall take effect on July 1, 1993 or the first day of a State’s fiscal year beginning in 1993, whichever is later.”

TREATMENT OF COMPENSATION OR REIMBURSEMENT PAID PURSUANT TO OTHER LAWS

Pub. L. 107-273, div. A, title II, §204(f), Nov. 2, 2002, 116 Stat. 1776, as amended by Pub. L. 109-162, title XI, §1151(a), (b), Jan. 5, 2006, 119 Stat. 3112, provided that: “No compensation or reimbursement paid pursuant to the Southwest Border Prosecutor Initiative (as carried out pursuant to paragraph (3) (117 Stat. 64) under the heading relating to Community Oriented Policing Services of the Department of Justice Appropriations Act, 2003 (title I of division B of Public Law 108-7), or as carried out pursuant to any subsequent authority) or section 501(a) of Public Law 99-603 [8 U.S.C. 1365(a)] (100 Stat. 3443) or section 241(i) of the Act of June 27, 1952 [8 U.S.C. 1231(i)] (ch. 477) shall be subject to sections [sic] 3335(b) or 6503(d) of title 31, United States Code, and no funds available to the Attorney General may be used to pay any assessment made pursuant to such sections [sic] 3335(b) or 6503 with respect to any such compensation or reimbursement.”

AGREEMENTS WITH STATES

Section 5(d) of Pub. L. 101-453, as amended by Pub. L. 102-589, §2(2)(A), (B), Nov. 10, 1992, 106 Stat. 5133, provided that:

“(1) SECRETARY’S EFFORTS TO ENTER AGREEMENTS.—The Secretary of the Treasury shall make all reasonable efforts to enter into an agreement with each State under section 6503(b) of title 31, United States Code, as added by this section (relating to procedures and requirements for transfers of funds between executive agencies and States), by July 1, 1993 or the first day of a State’s fiscal year beginning in 1993, whichever is later.

“(2) EFFECTIVE DATE OF REGULATIONS.—Regulations issued by the Secretary of the Treasury under subsection (b)(3) of section 6503 of title 31, United States Code, as added by the [this] section (relating to procedures and requirements for transfers of funds involving States not entering agreements), shall take effect on July 1, 1993 or the first day of a State’s fiscal year beginning in 1993, whichever is later.”

GAO REPORT

Section 6 of Pub. L. 101-453, as amended by Pub. L. 102-589, §2(3), Nov. 10, 1992, 106 Stat. 5133, which directed

Comptroller General, five years after Oct. 24, 1990, to submit an audit of the implementation of amendments made by section 5 of Pub. L. 101-453 (which amended this section and section 6501 of this title) and to submit a report to Congress describing results of that audit, was repealed by Pub. L. 104-316, title I, §115(i), Oct. 19, 1996, 110 Stat. 3835.

§ 6504. Use of existing State or multimember agency to administer grant programs

Notwithstanding a law of the United States providing that one State agency or multimember agency must be established or designated to carry out or supervise the administration of a grant program, the head of the executive agency carrying out the program may, when requested by the executive or legislative authority of the State responsible for the organizational structure of a State government—

(1) waive the one State agency or multimember agency provision on an adequate showing that the provision prevents the establishment of the most effective and efficient organizational arrangement within the State government; and

(2) approve another State administrative structure or arrangement after deciding that the objectives of the law authorizing the grant program will not be endangered by using another State structure or arrangement.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1007.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6504	42:4214.	Oct. 16, 1968, Pub. L. 90-577, §204, 82 Stat. 1101.

In the section, the word “agency” is substituted for “board or commission” for consistency in the revised title. Before clause (1), the words “executive agency” are substituted for “Federal department or agency” because of the definition in sections 102 and 6501(3) of the revised title. The words “appropriate” and “determining or revising” are omitted as surplus. The words “Governor or other” are omitted as covered by “executive . . . authority”. In clause (2), the words “after deciding” are substituted for “Provided, That the head of the Federal department or agency determines” to eliminate unnecessary words.

§ 6505. Authority to provide specialized or technical services

(a) The President may prescribe statistical and other studies and compilations, development projects, technical tests and evaluations, technical information, training activities, surveys, reports, documents, and other similar services that an executive agency is especially competent and authorized by law to provide. The services prescribed must be consistent with and further the policy of the United States Government of relying on the private enterprise system to provide services reasonably and quickly available through ordinary business channels.

(b) The head of an executive agency may provide services prescribed by the President under this section to a State or local government when—

(1) written request is made by the State or local government; and

(2) payment of pay and all other identifiable costs of providing the services is made to the

executive agency by the State or local government making the request.

(c) Payment received by an executive agency for providing services under this section shall be deposited to the credit of the principal appropriation from which the cost of providing the services has been paid or will be charged.

(d) The authority under this section is in addition to authority under another law in effect on October 16, 1968.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1007.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6505(a)	42:4201(8).	Oct. 16, 1968, Pub. L. 90-577, §§108, 303, 305, 82 Stat. 1100, 1102, 1103.
	42:4222(proviso, words after proviso).	Oct. 16, 1968, Pub. L. 90-577, §302, 82 Stat. 1102; Reorg. Plan No. 2 of 1970, eff. July 1, 1970, §102(a), 84 Stat. 2085.
6505(b)	42:4222(words before proviso).	
6505(c)	42:4223.	
6505(d)	42:4225.	

In the section, the words "executive agency" are substituted for "Federal department or agency" and "department or agency of the executive branch of the Federal Government" because of the definition in sections 102 and 6501(3) of the revised title.

In subsection (a), the source provisions are consolidated to eliminate an unnecessary definition. The word "President" is substituted for "Director of the Office of Management and Budget" in 42:4222(proviso, words after proviso) because sections 101 and 102(a) of Reorganization Plan No. 2 of 1970 (eff. July 1, 1970, 84 Stat. 2085) designated the Bureau of the Budget as the Office of Management and Budget and transferred all functions of the Bureau to the President. The words "rules and regulations" are omitted as unnecessary.

In subsection (b), the word "may" is substituted for "is authorized within his discretion" for clarity and to omit unnecessary words. The words "specialized or technical services" are omitted because of consolidation of the source provisions. The words "direct or indirect" are omitted as surplus.

In subsection (c), the word "Payment" is substituted for "moneys" for consistency in the section. The words "All" and "or any bureau or other administrative division thereof" are omitted as surplus.

In subsection (d), the words "and does not supersede" are omitted as unnecessary. The words "authority under another law in effect on October 16, 1968" are substituted for "authority now possessed" for clarity. The words "by any Federal department or agency with respect to furnishing services, whether on a reimbursable or nonreimbursable basis, to State and local units of government" are omitted as unnecessary.

PERFORMANCE OF SPECIALIZED OR TECHNICAL SERVICES

Pub. L. 106-541, title II, §211, Dec. 11, 2000, 114 Stat. 2592, as amended by Pub. L. 107-66, title I, §109, Nov. 12, 2001, 115 Stat. 496, provided that:

"(a) DEFINITION OF STATE.—In this section, the term 'State' has the meaning given the term in section 6501 of title 31, United States Code.

"(b) AUTHORITY.—The Corps of Engineers may provide specialized or technical services to a Federal agency (other than an agency of the Department of Defense) or a State or local government under section 6505 of title 31, United States Code, only if the chief executive of the requesting entity submits to the Secretary [of the Army]—

"(1) a written request describing the scope of the services to be performed and agreeing to reimburse the Corps for all costs associated with the performance of the services; and

"(2) a certification that includes adequate facts to establish that the services requested are not reasonably and quickly available through ordinary business channels.

"(c) CORPS AGREEMENT TO PERFORM SERVICES.—The Secretary, after receiving a request described in subsection (b) to provide specialized or technical services, shall, before entering into an agreement to perform the services—

"(1) ensure that the requirements of subsection (b) are met with regard to the request for services; and

"(2) execute a certification that includes adequate facts to establish that the Corps is uniquely equipped to perform such services.

"(d) ANNUAL REPORT TO CONGRESS.—

"(1) IN GENERAL.—Not later than the last day of each calendar year, the Secretary shall provide to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report identifying any request submitted by a Federal agency (other than an agency of the Department of Defense) or a State or local government to the Corps to provide specialized or technical services.

"(2) CONTENTS OF REPORT.—The report shall include, with respect to each request described in paragraph (1)—

"(A) a description of the scope of services requested;

"(B) the certifications required under subsection (b) and (c);

"(C) the status of the request;

"(D) the estimated and final cost of the services;

"(E) the status of reimbursement;

"(F) a description of the scope of services performed; and

"(G) copies of all certifications in support of the request.

"(e) ENGINEERING RESEARCH AND DEVELOPMENT CENTER.—The Engineering Research and Development Center is exempt from the requirements of this section."

TRANSPORTATION OF STATE PRISONERS

Pub. L. 105-119, title I, Nov. 26, 1997, 111 Stat. 2444, provided in part: "That, for fiscal year 1998 and thereafter, the service of maintaining and transporting State, local, or territorial prisoners shall be considered a specialized or technical service for purposes of 31 U.S.C. 6505, and any prisoners so transported shall be considered persons (transported for other than commercial purposes) whose presence is associated with the performance of a governmental function for purposes of 49 U.S.C. 40102."

Similar provisions were contained in the following prior appropriation act:

Pub. L. 104-208, div. A, title I, §101(a) [title I], Sept. 30, 1996, 110 Stat. 3009, 3009-5.

§ 6506. Development assistance

(a) The economic and social development of the United States and the achievement of satisfactory levels of living depend on the sound and orderly development of urban and rural areas. When urbanization proceeds rapidly, the sound and orderly development of urban communities depends to a large degree on the social and economic health and the sound development of smaller communities and rural areas.

(b) The President shall prescribe regulations governing the formulation, evaluation, and review of United States Government programs and projects having a significant impact on area and community development (including programs and projects providing assistance to States and localities) to serve most effectively the basic objectives of subsection (a) of this section. The regulations shall provide for the consideration

of concurrently achieving the following specific objectives and, to the extent authorized by law, reasoned choices shall be made between the objectives when they conflict:

- (1) appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes.
- (2) wise development and conservation of all natural resources.
- (3) balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other means to move people and goods.
- (4) adequate outdoor recreation and open space.
- (5) protection of areas of unique natural beauty and historic and scientific interest.
- (6) properly planned community facilities (including utilities for supplying power, water, and communications) for safely disposing of wastes, and for other purposes.
- (7) concern for high standards of design.

(c) To the extent possible, all national, regional, State, and local viewpoints shall be considered in planning development programs and projects of the United States Government or assisted by the Government. State and local government objectives and the objectives of regional organizations shall be considered within a framework of national public objectives expressed in laws of the United States. Available projections of future conditions in the United States and needs of regions, States, and localities shall be considered in plan formulation, evaluation, and review.

(d) To the maximum extent possible and consistent with national objectives, assistance for development purposes shall be consistent with and further the objectives of State, regional, and local comprehensive planning. Consideration shall be given to all developmental aspects of our total national community, including housing, transportation, economic development, natural and human resources development, community facilities, and the general improvement of living environments.

(e) To the maximum extent practicable, each executive agency carrying out a development assistance program shall consult with and seek advice from all other significantly affected executive agencies in an effort to ensure completely coordinated programs. To the extent possible, systematic planning required by individual United States Government programs (such as highway construction, urban renewal, and open space) shall be coordinated with and, to the extent authorized by law, made part of comprehensive local and areawide development planning.

(f) When a law of the United States provides that both a special-purpose unit of local government and a unit of general local government are eligible to receive a loan or grant, the head of an executive agency shall make the loan or grant to the unit of general local government instead of the special-purpose unit of local government in the absence of substantial reasons to the contrary.

(g) The President may designate an executive agency to prescribe regulations to carry out this section.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1008.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
6506(a)	42:4231(a)(1st, 2d sentences).	Oct. 16, 1968, Pub. L. 90-577, §§ 401-403, 82 Stat. 1103.
6506(b)	42:4231(a)(3d-last sentences).	
6506(c)	42:4231(b).	
6506(d)	42:4231(c).	
6506(e)	42:4231(d), (e).	
6506(f)	42:4232.	
6506(g)	42:4233.	

In subsection (a), the words "United States" are substituted for "the Nation" for consistency. The word "When" is substituted for "in a time" for clarity.

In subsection (b), before clause (1), the word "therefore" is omitted as unnecessary. The word "regulations" is substituted for "rules and regulations" for consistency in the revised title and with other titles of the United States Code. In clause (2), the words "all natural resources" are substituted for "natural resources, including land, water, minerals, wildlife, and others" to eliminate unnecessary words.

In subsection (c), the words "fully", "taken into account", and "evaluated" are omitted as surplus. The words "development programs and projects of the United States Government or assisted by the Government" are substituted for "Federal or federally assisted development programs and projects", and the words "laws of the United States" are substituted for "Federal law", for consistency in the revised title.

In subsection (d), the word "assistance" is substituted for "federal aid" because of the definition in section 6501(1) of the revised title.

In subsection (e), the words "executive agency" are substituted for "Federal department and agency" and "Federal departments and agencies" because of the definition in sections 102 and 6501(3) of the revised title. The words "To the extent" are substituted for "Insofar as" for consistency.

In subsection (f), the words "law of the United States" are substituted for "Federal law" for consistency.

In subsection (g), the words "Office of Management and Budget . . . other" are omitted as surplus.

EX. ORD. NO. 12372. INTERGOVERNMENTAL REVIEW OF FEDERAL PROGRAMS

Ex. Ord. No. 12372, July 14, 1982, 47 F.R. 30959, as amended by Ex. Ord. No. 12416, Apr. 8, 1983, 48 F.R. 15587, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 401(a) of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4231(a)) [31 U.S.C. 6506(a) and (b)], Section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334) and Section 301 of Title 3 of the United States Code, and in order to foster an intergovernmental partnership and a strengthened federalism by relying on State and local processes for the State and local government coordination and review of proposed Federal financial assistance and direct Federal development, it is hereby ordered as follows:

SECTION 1. Federal agencies shall provide opportunities for consultation by elected officials of those State and local governments that would provide the non-Federal funds for, or that would be directly affected by, proposed Federal financial assistance or direct Federal development.

SEC. 2. To the extent the States, in consultation with local general purpose governments, and local special purpose governments they consider appropriate, develop their own processes or refine existing processes for State and local elected officials to review and coordinate proposed Federal financial assistance and direct Federal development, the Federal agencies shall, to the extent permitted by law:

- (a) Utilize the State process to determine official views of State and local elected officials.

(b) Communicate with State and local elected officials as early in the program planning cycle as is reasonably feasible to explain specific plans and actions.

(c) Make efforts to accommodate State and local elected officials' concerns with proposed Federal financial assistance and direct Federal development that are communicated through the designated State process. For those cases where the concerns cannot be accommodated, Federal officials shall explain the bases for their decision in a timely manner.

(d) Allow the States to simplify and consolidate existing Federally required State plan submissions. Where State planning and budgeting systems are sufficient and where permitted by law, the substitution of State plans for Federally required State plans shall be encouraged by the agencies.

(e) Seek the coordination of views of affected State and local elected officials in one State with those of another State when proposed Federal financial assistance or direct Federal development has an impact on interstate metropolitan urban centers or other interstate areas. Existing interstate mechanisms that are redesignated as part of the State process may be used for this purpose.

(f) Support State and local governments by discouraging the reauthorization or creation of any planning organization which is Federally-funded, which has a Federally-prescribed membership, which is established for a limited purpose, and which is not adequately representative of, or accountable to, State or local elected officials.

SEC. 3. (a) The State process referred to in Section 2 shall include those where States delegate, in specific instances, to local elected officials the review, coordination, and communication with Federal agencies.

(b) At the discretion of the State and local elected officials, the State process may exclude certain Federal programs from review and comment.

SEC. 4. The Office of Management and Budget (OMB) shall maintain a list of official State entities designated by the States to review and coordinate proposed Federal financial assistance and direct Federal development. The Office of Management and Budget shall disseminate such lists to the Federal agencies.

SEC. 5. (a) Agencies shall propose rules and regulations governing the formulation, evaluation, and review of proposed Federal financial assistance and direct Federal development pursuant to this Order, to be submitted to the Office of Management and Budget for approval.

(b) The rules and regulations which result from the process indicated in Section 5(a) above shall replace any current rules and regulations and become effective September 30, 1983.

SEC. 6. The Director of the Office of Management and Budget is authorized to prescribe such rules and regulations, if any, as he deems appropriate for the effective implementation and administration of this Order and the Intergovernmental Cooperation Act of 1968 [31 U.S.C. 6501 et seq.]. The Director is also authorized to exercise the authority vested in the President by Section 401(a) of that Act (42 U.S.C. 4231(a)) [31 U.S.C. 6506(a) and (b)] in a manner consistent with this Order.

SEC. 7. The Memorandum of November 8, 1968, is terminated (33 *Fed. Reg.* 16487, November 13, 1968). The Director of the Office of Management and Budget shall revoke OMB Circular A-95, which was issued pursuant to that Memorandum. However, Federal agencies shall continue to comply with the rules and regulations issued pursuant to that Memorandum, including those issued by the Office of Management and Budget, until new rules and regulations have been issued in accord with this Order.

SEC. 8. The Director of the Office of Management and Budget shall report to the President by September 30, 1984 on Federal agency compliance with this Order. The views of State and local elected officials on their experiences with these policies, along with any suggestions for improvement, will be included in the Director's report.

RONALD REAGAN.

§ 6507. Congressional review of grant programs

(a) The committees of Congress having jurisdiction over a grant program authorized by a law of the United States without a specified expiration date for the program shall study the program. The committees may conduct studies separately or jointly and shall report the results of their findings to their respective Houses of Congress not later than the end of each period specified in subsection (b) of this section. The committees shall give special attention to—

(1) the extent to which the purposes of the grants have been met;

(2) the extent to which the objective of the program can be carried on without further assistance;

(3) whether a change in the purpose, direction, or administration of the original program, or in procedures and requirements applicable to the program, should be made; and

(4) the extent to which the program is adequate to meet the growing and changing needs that it was designed to support.

(b)(1) A study under subsection (a) of this section of a grant program authorized by a law of the United States enacted before October 16, 1968, shall be conducted before the end of each 4th calendar year after the year during which a study of the program was last conducted under this section.

(2) A study under subsection (a) of this section of a grant program authorized by a law of the United States enacted after October 16, 1968, shall be conducted before the end of the 4th calendar year after the year of enactment of the law and before the end of each 4th calendar year thereafter.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1009.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
6507(a)	42:4241(a).	Oct. 16, 1968, Pub. L. 90-577, § 601, 82 Stat. 1106.
6507(b)	42:4241(b).	

In the section, the words "law of the United States" are substituted for "Act of Congress" for clarity. The word "grants" is substituted for "grants-in-aid", and the words "grant program" are substituted for "grant-in-aid program", for consistency in the chapter.

In subsection (a), before clause (1), the words "grant program" are substituted for "program under which such grants-in-aid are made" for consistency in the chapter and to eliminate unnecessary words. The words "committees of Congress" are substituted for "Committee of the Senate and the House of Representatives" for consistency in the revised title and with other titles of the United States Code. The words "The committees may conduct" are added for clarity. The word "report" is substituted for "advise" for clarity. In clause (2), the word "assistance" is substituted for "financial assistance from the United States" because of the definition in section 6501(1) of the revised title.

In subsection (b), the words "prior to the expiration of the fourth calendar year beginning after October 16, 1968, and thereafter" are omitted as executed.

§ 6508. Studies and reports

(a)(1) When requested by a committee of Congress having jurisdiction over a grant program, the Comptroller General shall study the program. The study shall include a review of—

- (A) the extent to which—
 - (i) the program conflicts with or duplicates other grant programs; and
 - (ii) more effective, efficient, economical, and uniform administration of the program may be achieved by changing the requirements and procedures applicable to it; and
- (B) budgetary, accounting, reporting, and administrative procedures of the program.

(2) The Comptroller General shall submit to Congress a report on a study made under this subsection and any recommendations. To the extent practicable, a report on an expiring program shall be submitted in the year before the year in which a program ends.

(b)(1) When requested by a committee of Congress having jurisdiction over a grant program, the Advisory Commission on Intergovernmental Relations shall study the intergovernmental relations aspects of the program, including—

(A) the impact of the program on the structural organization of States and local governments and on Federal-State-local fiscal relations; and

(B) the coordination of administration of the program by the United States Government and State and local governments.

(2) The Commission shall submit to the committee requesting the study and to Congress a report and any recommendations.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1010.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6508(a)	42:4242.	Oct. 16, 1968, Pub. L. 90-577, §§ 602, 603, 82 Stat. 1107.
6508(b)	42:4243.	

In the section, the words “of Congress” are added for clarity. The words “grant program” are substituted for “grant-in-aid program” for consistency in the chapter.

In subsection (a)(1), before clause (A), the words “The study shall include a review of” are substituted for “to determine” for clarity. In clause (B), the words “among other relevant matters” are omitted as unnecessary.

In subsection (b)(1)(B), the words “administration of the program by the United States Government” are substituted for “Federal administration” for consistency in the revised title.

In subsection (b)(2), the words “requesting the study” are added for clarity.

CHAPTER 67—FEDERAL PAYMENTS

Sec.	
6701.	Payments to local governments.
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6716.	Civil action by a person adversely affected.
6717.	Judicial review.
6718.	Investigations and reviews.
6719.	Reports.
6720.	Definitions, application, and administration.

PRIOR PROVISIONS

A prior chapter 67, consisting of sections 6701 to 6724, related to revenue sharing, prior to repeal by Pub. L. 99-272, title XIV, § 14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6701. Payments to local governments

(a) PAYMENT AND USE.—

(1) PAYMENT.—The Secretary shall pay to each unit of general local government which qualifies for a payment under this chapter an amount equal to the sum of any amounts allocated to the government under this chapter for each payment period. The Secretary shall pay such amount out of the Local Government Fiscal Assistance Fund under section 6702.

(2) USE.—Amounts paid to a unit of general local government under this section shall be used by that unit for carrying out one or more programs of the unit related to—

- (A) education to prevent crime;
- (B) substance abuse treatment to prevent crime; or
- (C) job programs to prevent crime.

(3) COORDINATION.—Programs funded under this title shall be coordinated with other existing Federal programs to meet the overall needs of communities that benefit from funds received under this section.

(b) TIMING OF PAYMENTS.—The Secretary shall pay each amount allocated under this chapter to a unit of general local government for a payment period by the later of 90 days after the date the amount is available or the first day of the payment period provided that the unit of general local government has provided the Secretary with the assurances required by section 6703(d).

(c) ADJUSTMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall adjust a payment under this chapter to a unit of general local government to the extent that a prior payment to the government was more or less than the amount required to be paid.

(2) CONSIDERATIONS.—The Secretary may increase or decrease under this subsection a payment to a unit of local government only if the Secretary determines the need for the increase or decrease, or the unit requests the increase or decrease, within one year after the end of the payment period for which the payment was made.

(d) RESERVATION FOR ADJUSTMENTS.—The Secretary may reserve a percentage of not more than 2 percent of the amount under this section for a payment period for all units of general local government in a State if the Secretary considers the reserve is necessary to ensure the availability of sufficient amounts to pay adjustments after the final allocation of amounts among the units of general local government in the State.

(e) REPAYMENT OF UNEXPENDED AMOUNTS.—

(1) **REPAYMENT REQUIRED.**—A unit of general local government shall repay to the Secretary, by not later than 15 months after receipt from the Secretary, any amount that is—

(A) paid to the unit from amounts appropriated under the authority of this section; and

(B) not expended by the unit within one year after receipt from the Secretary.

(2) **PENALTY FOR FAILURE TO REPAY.**—If the amount required to be repaid is not repaid, the Secretary shall reduce payments in future payment periods accordingly.

(3) **DEPOSIT OF AMOUNTS REPAYED.**—Amounts received by the Secretary as repayments under this subsection shall be deposited in the Local Government Fiscal Assistance Fund for future payments to units of general local government.

(f) **EXPENDITURE WITH DISADVANTAGED BUSINESS ENTERPRISES.**—

(1) **GENERAL RULE.**—Of amounts paid to a unit of general local government under this chapter for a payment period, not less than 10 percent of the total combined amounts obligated by the unit for contracts and subcontracts shall be expended with—

(A) small business concerns controlled by socially and economically disadvantaged individuals and women;

(B) historically Black colleges and universities and colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans or Native Americans; and

(C) qualified HUBZone small business concerns.

(2) **EXCEPTION.**—Paragraph (1) shall not apply to amounts paid to a unit of general local government to the extent the unit determines that the paragraph does not apply through a process that provides for public participation.

(3) **DEFINITIONS.**—For purposes of this subsection—

(A) the term “small business concern” has the meaning such term has under section 3 of the Small Business Act;

(B) the term “socially and economically disadvantaged individuals” has the meaning such term has under section 8(d) of the Small Business Act and relevant subcontracting regulations promulgated pursuant to that section; and

(C) the term “qualified HUBZone small business concern” has the meaning given that term in section 3(p) of the Small Business Act (15 U.S.C. 632(o)¹).

(g) **NONSUPPLANTING REQUIREMENT.**—

(1) **IN GENERAL.**—Funds made available under this chapter to units of local government shall not be used to supplant State or local funds, but will be used to increase the amount of funds that would, in the absence of funds under this chapter, be made available from State or local sources.

(2) **BASE LEVEL AMOUNT.**—The total level of funding available to a unit of local govern-

ment for accounts serving eligible purposes under this chapter in the fiscal year immediately preceding receipt of a grant under this chapter shall be designated the “base level account” for the fiscal year in which a grant is received. Grants under this chapter in a given fiscal year shall be reduced on a dollar for dollar basis to the extent that a unit of local government reduces its base level account in that fiscal year.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1859; amended Pub. L. 105-135, title VI, §604(e)(2), Dec. 2, 1997, 111 Stat. 2633.)

REFERENCES IN TEXT

Sections 3 and 8(d) of the Small Business Act, referred to in subsec. (f)(3), are classified to sections 632 and 637(d), respectively, of Title 15, Commerce and Trade.

PRIOR PROVISIONS

A prior section 6701, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1010; Pub. L. 98-185, §§2, 9(a), Nov. 30, 1983, 97 Stat. 1309, 1311, related to definitions and application of chapter, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

AMENDMENTS

1997—Subsec. (f)(1)(C). Pub. L. 105-135, §604(e)(2)(A), added subpar. (C).

Subsec. (f)(3)(C). Pub. L. 105-135, §604(e)(2)(B), added subpar. (C).

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-135 effective Oct. 1, 1997, see section 3 of Pub. L. 105-135, set out as a note under section 631 of Title 15, Commerce and Trade.

REGULATIONS

Section 31001(b) of Pub. L. 103-322 provided that: “Within 90 days of the date of enactment of this Act [Sept. 13, 1994] the Secretary shall issue regulations, which may be interim regulations, to implement subsection (a) [enacting this chapter], modifying the regulations for carrying into effect the Revenue Sharing Act [former chapter 67 of this title] that were in effect as of July 1, 1987, and that were published in 31 C.F.R. part 51. The Secretary need not hold a public hearing before issuing these regulations.”

§ 6702. Local Government Fiscal Assistance Fund

(a) **ADMINISTRATION OF FUND.**—The Department of the Treasury has a Local Government Fiscal Assistance Fund, which consists of amounts appropriated to the Fund.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Fund—

- (1) \$270,000,000 for fiscal year 1996;
- (2) \$283,500,000 for fiscal year 1997;
- (3) \$355,500,000 for fiscal year 1998;
- (4) \$355,500,000 for fiscal year 1999; and
- (5) \$355,500,000 for fiscal year 2000.

Such sums are to remain available until expended.

(c) **ADMINISTRATIVE COSTS.**—Up to 2.5 percent of the amount authorized to be appropriated under subsection (b) is authorized to be appropriated for the period fiscal year 1995 through fiscal year 2000 to be available for administrative costs by the Secretary in furtherance of the purposes of the program. Such sums are to remain available until expended.

¹ So in original. Probably should be “632(p)”.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1861.)

PRIOR PROVISIONS

A prior section 6702, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1012, related to payments to governments, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

DEFICIT NEUTRALITY

Section 31001(c) of title III of Pub. L. 103-322 provided that: "Any appropriation to carry out the amendment made by this subtitle [subtitle J (§§31001, 31002) of title III of Pub. L. 103-322, enacting this chapter] to title 31, United States Code, for fiscal year 1995 or 1996 shall be offset by cuts elsewhere in appropriations for that fiscal year."

§ 6703. Qualification for payment

(a) IN GENERAL.—The Secretary shall issue regulations establishing procedures under which eligible units of general local government are required to provide notice to the Secretary of the units' proposed use of assistance under this chapter. Subject to subsection (c), the assistance provided shall be used, in amounts determined by the unit, for activities under, or for activities that are substantially similar to an activity under, 1 or more of the following programs and the notice shall identify 1 or more of the following programs for each such use:

(1) The Drug Abuse Resistance Education Program under section 5122 of the Elementary and Secondary Education Act of 1965.

(2) The National Youth Sports Program under section 682 of the Community Services Block Grant Act (Public Law 97-35) as amended by section 205, Public Law 103-252.

(3) The Gang Resistance Education and Training Program under the Act entitled "An Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1991, and for other purposes", approved November 5, 1990 (Public Law 101-509).

(4) Programs under title I of the Workforce Investment Act of 1998.

(5) Programs under subtitle C of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.), as amended.

(6) Programs under the School to Work Opportunities Act (Public Law 103-239).

(7) Substance Abuse Treatment and Prevention programs authorized under title V or XIX of the Public Health Services Act (43 U.S.C. 201 et seq.).¹

(8) Programs under the Head Start Act (42 U.S.C. 9831 et seq.).

(9) Programs under part A or B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

(10) The TRIO programs under part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(11) Programs under the National Literacy Act of 1991.

(12) Programs under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).

(13) The demonstration partnership programs including the community initiative targeted to minority youth under section 203¹ of the Human Services Reauthorization Act of 1994 (Public Law 103-252).

(14) The runaway and homeless youth program and the transitional living program for homeless youth under title III of the Juvenile Justice and Delinquency Prevention Act (Public Law 102-586).

(15) After-school activities for school aged children under the Child Care and Development Block Grant Act (42 U.S.C. 9858 et seq.).

(16) The community-based family resource programs under section 401¹ of the Human Services Reauthorization Act of 1994 (Public Law 103-252).

(17) The family violence programs under the Child Abuse Prevention and Treatment Act Amendments of 1984.

(18) Job training programs administered by the Department of Agriculture, the Department of Defense, or the Department of Housing and Urban Development.

(b) NOTICE TO AGENCY.—Upon receipt of notice under subsection (a) from an eligible unit of general local government, the Secretary shall notify the head of the appropriate Federal agency for each program listed in subsection (a) that is identified in the notice as a program under which an activity will be conducted with assistance under this chapter. The notification shall state that the unit has elected to use some or all of its assistance under this chapter for activities under that program. The head of a Federal agency that receives such a notification shall ensure that such use is in compliance with the laws and regulations applicable to that program, except that any requirement to provide matching funds shall not apply to that use.

(c) ALTERNATIVE USES OF FUNDS.—

(1) ALTERNATIVE USES AUTHORIZED.—In lieu of, or in addition to, use for an activity described in subsection (a) and notice for that use under subsection (a), an eligible unit of general local government may use assistance under this chapter, and shall provide notice of that use to the Secretary under subsection (a), for any other activity that is consistent with 1 or more of the purposes described in section 6701(a)(2).

(2) NOTICE DEEMED TO DESCRIBE CONSISTENT USE.—Notice by a unit of general local government that it intends to use assistance under this chapter for an activity other than an activity described in subsection (a) is deemed to describe an activity that is consistent with 1 or more of the purposes described in section 6701(a)(2) unless the Secretary provides to the unit, within 30 days after receipt of that notice of intent from the unit, written notice (including an explanation) that the use is not consistent with those purposes.

(d) GENERAL REQUIREMENTS FOR QUALIFICATION.—A unit of general local government qualifies for a payment under this chapter for a payment period only after establishing to the satisfaction of the Secretary that—

(1) the government will establish a trust fund in which the government will deposit all payments received under this chapter;

¹ See References in Text note below.

(2) the government will use amounts in the trust fund (including interest) during a reasonable period;

(3) the government will expend the payments so received, in accordance with the laws and procedures that are applicable to the expenditure of revenues of the government;

(4) if at least 25 percent of the pay of individuals employed by the government in a public employee occupation is paid out of the trust fund, individuals in the occupation any part of whose pay is paid out of the trust fund will receive pay at least equal to the prevailing rate of pay for individuals employed in similar public employee occupations by the government;

(5) all laborers and mechanics employed by contractors or subcontractors in the performance of any contract and subcontract for the repair, renovation, alteration, or construction, including painting and decorating, of any building or work that is financed in whole or in part by a grant under this title, shall be paid wages not less than those determined by the Secretary of Labor in accordance with sections 3141-3144, 3146, and 3147 of title 40. The Secretary of Labor shall have the authority and functions set forth in Reorganization Plan No. 14 of 1950 (15 FR 3176; 64 Stat. 1267) and section 3145 of title 40;

(6) the government will use accounting, audit, and fiscal procedures that conform to guidelines which shall be prescribed by the Secretary. As applicable, amounts received under this chapter shall be audited in compliance with the Single Audit Act of 1984;

(7) after reasonable notice to the government, the government will make available to the Secretary and the Comptroller General of the United States, with the right to inspect, records the Secretary reasonably requires to review compliance with this chapter or the Comptroller General of the United States reasonably requires to review compliance and operations under section 6718(b);

(8) the government will make reports the Secretary reasonably requires, in addition to the annual reports required under section 6719(b); and

(9) the government will spend the funds only for the purposes set forth in section 6701(a)(2).

(e) REVIEW BY GOVERNORS.—A unit of general local government shall give the chief executive officer of the State in which the government is located an opportunity for review and comment before establishing compliance with subsection (d).

(f) SANCTIONS FOR NONCOMPLIANCE.—

(1) IN GENERAL.—If the Secretary decides that a unit of general local government has not complied substantially with subsection (d) or regulations prescribed under subsection (d), the Secretary shall notify the government. The notice shall state that if the government does not take corrective action by the 60th day after the date the government receives the notice, the Secretary will withhold additional payments to the government for the current payment period and later payment periods until the Secretary is satisfied that the government—

(A) has taken the appropriate corrective action; and

(B) will comply with subsection (d) and regulations prescribed under subsection (d).

(2) NOTICE.—Before giving notice under paragraph (1), the Secretary shall give the chief executive officer of the unit of general local government reasonable notice and an opportunity for comment.

(3) PAYMENT CONDITIONS.—The Secretary may make a payment to a unit of general local government notified under paragraph (1) only if the Secretary is satisfied that the government—

(A) has taken the appropriate corrective action; and

(B) will comply with subsection (d) and regulations prescribed under subsection (d).

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1861; amended Pub. L. 104-316, title I, §115(j), Oct. 19, 1996, 110 Stat. 3835; Pub. L. 105-277, div. A, §101(f) [title VIII, §405(c)(3), (d)(27), (f)(19)], Oct. 21, 1998, 112 Stat. 2681-337, 2681-417, 2681-424, 2681-432; Pub. L. 107-217, §3(h)(8), Aug. 21, 2002, 116 Stat. 1300; Pub. L. 109-270, §2(i), Aug. 12, 2006, 120 Stat. 748.)

REFERENCES IN TEXT

The Elementary and Secondary Education Act of 1965, referred to in subsec. (a)(1), (9), is Pub. L. 89-10, Apr. 11, 1965, 79 Stat. 27, as amended. Parts A and B of chapter 1 of title I of the Act were classified generally to parts A (§2711 et seq.) and B (§2741 et seq.) of division 1 of subchapter I of chapter 47 of Title 20, Education, prior to being omitted in the general amendment of Pub. L. 89-10 by Pub. L. 103-382, title I, §101, Oct. 20, 1994, 108 Stat. 3519. See part A (§6311 et seq.) and subpart 3 (§6381 et seq.) of part B of subchapter I of chapter 70 of Title 20. Section 5122 of the Act was classified to section 3192 of Title 20 prior to being omitted in the general amendment of Pub. L. 89-10 by Pub. L. 103-382. A new section 5122 of the Act, relating to applications for assistance under educational reform programs, was added by Pub. L. 107-110 and is classified to section 7213a of Title 20.

Section 682 of the Community Services Block Grant Act, referred to in subsec. (a)(2), which was classified to section 9910c of Title 42, The Public Health and Welfare, was omitted in the general amendment of chapter 106 of Title 42, by Pub. L. 105-285, title II, §201, Oct. 27, 1998, 112 Stat. 2728. A new section 682 of the Act, containing similar subject matter, is classified to section 9923 of Title 42.

Public Law 101-509, referred to in subsec. (a)(3), is Pub. L. 101-509, Nov. 5, 1990, 104 Stat. 1389. For complete classification of this Act to the Code, see Tables.

The Workforce Investment Act of 1998, referred to in subsec. (a)(4), is Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 936, as amended. Title I of the Act is classified principally to chapter 30 (§2801 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 9201 of Title 20, Education, and Tables.

The National and Community Service Act of 1990, referred to in subsec. (a)(5), is Pub. L. 101-610, Nov. 16, 1990, 104 Stat. 3127, as amended. Subtitle C of title I of the Act is classified generally to division C (§12571 et seq.) of subchapter I of chapter 129 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of Title 42 and Tables.

The School to Work Opportunities Act, referred to in subsec. (a)(6), probably means the School-to-Work Opportunities Act of 1994, Pub. L. 103-239, May 4, 1994, 108 Stat. 568, which is classified principally to chapter 69 (§6101 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of Title 20 and Tables.

The Public Health Services Act, referred to in subsec. (a)(7), probably means the Public Health Service Act, act July 1, 1944, ch. 373, 58 Stat. 682, as amended. Titles V and XIX of the Act are classified generally to subchapters III-A (§290aa et seq.) and XVII (§300w et seq.) of chapter 6A of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 201 of Title 42 and Tables.

The Head Start Act, referred to in subsec. (a)(8), is subchapter B (§§635-657) of chapter 8 of subtitle A of title VI of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 499, as amended, which is classified generally to subchapter II (§9831 et seq.) of chapter 105 of Title 42. For complete classification of this Act to the Code, see Short Title note set out under section 9801 of Title 42 and Tables.

The Higher Education Act of 1965, referred to in subsec. (a)(10), is Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1219, as amended. Part A of title IV of the Act is classified generally to part A (§1070 et seq.) of subchapter IV of chapter 28 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

The National Literacy Act of 1991, referred to in subsec. (a)(11), is Pub. L. 102-73, July 25, 1991, 105 Stat. 333, which was repealed by Pub. L. 105-220, title II, §251(a)(2), Aug. 7, 1998, 112 Stat. 1079. For complete classification of this Act to the Code, see Tables.

The Carl D. Perkins Career and Technical Education Act of 2006, referred to in subsec. (a)(12), is Pub. L. 88-210, Dec. 18, 1963, 77 Stat. 403, as amended generally by Pub. L. 109-270, §1(b), Aug. 12, 2006, 120 Stat. 683, which is classified generally to chapter 44 (§2301 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables.

Sections 203 and 401 of the Human Services Reauthorization Act of 1994 (Public Law 103-252), referred to in subsec. (a)(13), (16), probably mean sections 203 and 401 of the Human Services Amendments of 1994, Pub. L. 103-252, May 18, 1994, 108 Stat. 654, 666. Section 203 of Pub. L. 103-252 amended section 9910 of Title 42, The Public Health and Welfare. Section 401 of Pub. L. 103-252 generally amended subchapter III (§5116 et seq.) of chapter 67 of Title 42 and repealed sections 5106a-1 and 12339 of Title 42.

The Juvenile Justice and Delinquency Prevention Act, referred to in subsec. (a)(14), probably means the Juvenile Justice and Delinquency Prevention Act of 1974, Pub. L. 93-415, Sept. 7, 1974, 88 Stat. 1109, as amended. Title III of the Act is classified generally to subchapter III (§5701 et seq.) of chapter 72 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 5601 of Title 42 and Tables.

The Child Care and Development Block Grant Act, referred to in subsec. (a)(15), probably means the Child Care and Development Block Grant Act of 1990, subchapter C (§658A et seq.) of chapter 8 of subtitle A of title VI of Pub. L. 97-35, as added by Pub. L. 101-508, title V, §5082(2), Nov. 5, 1990, 104 Stat. 1388-236, as amended, which is classified generally to subchapter II-B (§9858 et seq.) of chapter 105 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 9801 of Title 42 and Tables.

The Child Abuse Prevention and Treatment Act Amendments of 1984, referred to in subsec. (a)(17), probably means the Child Abuse Amendments of 1984, Pub. L. 98-457, Oct. 9, 1984, 98 Stat. 1749, as amended. Title III of the Act, relating to family violence programs, is classified generally to chapter 110 (§10401 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title of 1984 Amendment note set out under section 5101 of Title 42 and Tables.

Reorganization Plan No. 14 of 1950, referred to in subsec. (d)(5), is set out in the Appendix to Title 5, Government Organization and Employees.

The Single Audit Act of 1984, referred to in subsec. (d)(6), is Pub. L. 98-502, Oct. 19, 1984, 98 Stat. 2327, which

enacted chapter 75 (§7501 et seq.) of this title and provisions set out as notes under section 7501 of this title. For complete classification of this Act to the Code, see Short Title of 1984 Amendment note set out under section 7501 of this title and Tables.

PRIOR PROVISIONS

A prior section 6703, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1012; Pub. L. 98-185, §3, Nov. 30, 1983, 97 Stat. 1309, related to State and Local Government Fiscal Assistance Trust Fund, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

AMENDMENTS

2006—Subsec. (a)(12). Pub. L. 109-270 which directed the substitution of “Carl D. Perkins Career and Technical Education Act of 2006” for “Carl D. Perkins Vocational and Applied Technology Education Act”, was executed by making the substitution for “Carl Perkins Vocational Educational and Applied Technology Education Act” to reflect the probable intent of Congress.

2002—Subsec. (d)(5). Pub. L. 107-217 substituted “sections 3141-3144, 3146, and 3147 of title 40” for “the Act of March 3, 1931 (commonly known as the Davis-Bacon Act); as amended (40 U.S.C. 276a-276a-5)” and “section 3145 of title 40” for “section 2 of the Act of June 1, 1934 (commonly known as the Copeland Anti-Kickback Act), as amended (40 U.S.C. 276c, 48 Stat. 948)”.

1998—Subsec. (a)(4). Pub. L. 105-277, §101(f) [title VIII, §405(f)(19)], added par. (4) and struck out former par. (4) which read as follows: “Programs under title II or IV of the Job Training Partnership Act or under title I of the Workforce Investment Act of 1998.”

Pub. L. 105-277, §101(f) [title VIII, §405(d)(27)], added par. (4) and struck out former par. (4) which read as follows: “Programs under title II or IV of the Job Training Partnership Act (29 U.S.C. 1601 et seq.).”

Subsec. (a)(15) to (19). Pub. L. 105-277, §101(f) [title VIII, §405(c)(3)], redesignated pars. (16) to (19) as (15) to (18), respectively, and struck out former par. (15) which read as follows: “The family support program under subtitle F of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11481 et seq.).”

1996—Subsec. (d)(6). Pub. L. 104-316 struck out “after consultation with the Comptroller General of the United States” after “by the Secretary”.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 101(f) [title VIII, §405(c)(3), (d)(27)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, §405(f)(19)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, §405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

§6704. State area allocations; allocations and payments to territorial governments

(a) FORMULA ALLOCATION BY STATE.—For each payment period, the Secretary shall allocate to each State out of the amount appropriated for the period under the authority of section 6702(b) (minus the amounts allocated to territorial governments under subsection (e) for the payment period) an amount bearing the same ratio to the amount appropriated (minus such amounts allocated under subsection (e)) as the amount allocated to the State under this section bears to the total amount allocated to all States under this section. The Secretary shall—

(1) determine the amount allocated to the State under subsection (b) or (c) of this section and allocate the larger amount to the State; and

(2) allocate the amount allocated to the State to units of general local government in the State under sections 6705 and 6706.

(b) GENERAL FORMULA.—

(1) IN GENERAL.—For the payment period beginning October 1, 1994, the amount allocated to a State under this subsection for a payment period is the amount bearing the same ratio to \$5,300,000,000 as—

(A) the population of the State, multiplied by the general tax effort factor of the State (determined under paragraph (2)), multiplied by the relative income factor of the State (determined under paragraph (3)), multiplied by the relative rate of the labor force unemployed in the State (determined under paragraph (4)); bears to

(B) the sum of the products determined under subparagraph (A) of this paragraph for all States.

(2) GENERAL TAX EFFORT FACTOR.—The general tax effort factor of a State for a payment period is—

(A) the net amount of State and local taxes of the State collected during the year 1991 as reported by the Bureau of the Census in the publication Government Finances 1990–1991; divided by

(B) the total income of individuals, as determined by the Secretary of Commerce for national accounts purposes for 1992 as reported in the publication Survey of Current Business (August 1993), attributed to the State for the same year.

(3) RELATIVE INCOME FACTOR.—The relative income factor of a State is a fraction in which—

(A) the numerator is the per capita income of the United States; and

(B) the denominator is the per capita income of the State.

(4) RELATIVE RATE OF LABOR FORCE.—The relative rate of the labor force unemployed in a State is a fraction in which—

(A) the numerator is the percentage of the labor force of the State that is unemployed in the calendar year preceding the payment period (as determined by the Secretary of Labor for general statistical purposes); and

(B) the denominator is the percentage of the labor force of the United States that is unemployed in the calendar year preceding the payment period (as determined by the Secretary of Labor for general statistical purposes).

(c) ALTERNATIVE FORMULA.—For the payment period beginning October 1, 1994, the amount allocated to a State under this subsection for a payment period is the total amount the State would receive if—

(1) \$1,166,666,667 were allocated among the States on the basis of population by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this paragraph as the population of the State bears to the population of all States;

(2) \$1,166,666,667 were allocated among the States on the basis of population inversely weighted for per capita income, by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this paragraph as—

(A) the population of the State, multiplied by a fraction in which—

(i) the numerator is the per capita income of all States; and

(ii) the denominator is the per capita income of the State; bears to

(B) the sum of the products determined under subparagraph (A) for all States;

(3) \$600,000,000 were allocated among the States on the basis of income tax collections by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this paragraph as the income tax amount of the State (determined under subsection (d)(1)) bears to the sum of the income tax amounts of all States;

(4) \$600,000,000 were allocated among the States on the basis of general tax effort by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this paragraph as the general tax effort amount of the State (determined under subsection (d)(2)) bears to the sum of the general tax effort amounts of all States;

(5) \$600,000,000 were allocated among the States on the basis of unemployment by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this paragraph as—

(A) the labor force of the State, multiplied by a fraction in which—

(i) the numerator is the percentage of the labor force of the State that is unemployed in the calendar year preceding the payment period (as determined by the Secretary of Labor for general statistical purposes); and

(ii) the denominator is the percentage of the labor force of the United States that is unemployed in the calendar year preceding the payment period (as determined by the Secretary of Labor for general statistical purposes)

bears to

(B) the sum of the products determined under subparagraph (A) for all States; and

(6) \$1,166,666,667 were allocated among the States on the basis of urbanized population by allocating to each State an amount bearing the same ratio to the total amount to be allocated under this paragraph as the urbanized population of the State bears to the urbanized population of all States. In this paragraph, the term “urbanized population” means the population of an area consisting of a central city or cities of at least 50,000 inhabitants and the surrounding closely settled area for the city or cities considered as an urbanized area as published by the Bureau of the Census for 1990 in the publication General Population Characteristics for Urbanized Areas.

(d) INCOME TAX AMOUNT AND TAX EFFORT AMOUNT.—

(1) INCOME TAX AMOUNT.—The income tax amount of a State for a payment period is 15 percent of the net amount collected during the calendar year ending before the beginning of the payment period from the tax imposed on the income of individuals by the State and de-

scribed as a State income tax under section 164(a)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 164(a)(3)). The income tax amount for a payment period shall be at least 1 percent but not more than 6 percent of the United States Government individual income tax liability attributed to the State for the taxable year ending during the last calendar year ending before the beginning of the payment period. The Secretary shall determine the Government income tax liability attributed to the State by using the data published by the Secretary for 1991 in the publication *Statistics of Income Bulletin* (Winter 1993-1994).

(2) GENERAL TAX EFFORT AMOUNT.—The general tax effort amount of a State for a payment period is the amount determined by multiplying—

(A) the net amount of State and local taxes of the State collected during the year 1991 as reported in the Bureau of¹ Census in the publication *Government Finances 1990-1991*; and

(B) the general tax effort factor of the State determined under subsection (b)(2).

(e) ALLOCATION FOR PUERTO RICO, GUAM, AMERICAN SAMOA, AND THE VIRGIN ISLANDS.—

(1) IN GENERAL.—(A) For each payment period for which funds are available for allocation under this chapter, the Secretary shall allocate to each territorial government an amount equal to the product of 1 percent of the amount of funds available for allocation multiplied by the applicable territorial percentage.

(B) For the purposes of this paragraph, the applicable territorial percentage of a territory is equal to the quotient resulting from the division of the territorial population of such territory by the sum of the territorial population for all territories.

(2) PAYMENTS TO LOCAL GOVERNMENTS.—The governments of the territories shall make payments to local governments within their jurisdiction from sums received under this subsection as they consider appropriate.

(3) DEFINITIONS.—For purposes of this subsection—

(A) the term “territorial government” means the government of a territory;

(B) the term “territory” means Puerto Rico, Guam, American Samoa, and the Virgin Islands; and

(C) the term “territorial population” means the most recent population for each territory as determined by the Bureau of¹ Census.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1864.)

PRIOR PROVISIONS

A prior section 6704, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1013; Pub. L. 98-185, §9(b), Nov. 30, 1983, 97 Stat. 1311, related to qualifications of State or local governments for payments under this chapter, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6705. Local government allocations

(a) INDIAN TRIBES AND ALASKAN NATIVES VILLAGES.—If there is in a State an Indian tribe or Alaskan native¹ village having a recognized governing body carrying out substantial governmental duties and powers, the Secretary shall allocate to the tribe or village, out of the amount allocated to the State under section 6704, an amount bearing the same ratio to the amount allocated to the State as the population of the tribe or village bears to the population of the State. The Secretary shall allocate amounts under this subsection to Indian tribes and Alaskan native¹ villages in a State before allocating amounts to units of general local government in the State under subsection (c). For the payment period beginning October 1, 1994, the Secretary shall use as the population of each Indian tribe or Alaskan native¹ village the population for 1991 as reported by the Bureau of Indian Affairs in the publication *Indian Service Population and Labor Force Estimates* (January 1991). In addition to uses authorized under section 6701(a)(2), amounts allocated under this subsection and paid to an Indian tribe or Alaskan native¹ village under this chapter may be used for renovating or building prisons or other correctional facilities.

(b) NEWLY INCORPORATED LOCAL GOVERNMENTS AND ANNEXED GOVERNMENTS.—If there is in a State a unit of general local government that has been incorporated since the date of the collection of the data used by the Secretary in making allocations pursuant to sections 6704 through 6706 and 6708, the Secretary shall allocate to this newly incorporated local government, out of the amount allocated to the State under section 6704, an amount bearing the same ratio to the amount allocated to the State as the population of the newly incorporated local government bears to the population of the State. If there is in the State a unit of general local government that has been annexed since the date of the collection of the data used by the Secretary in making allocations pursuant to sections 6704 through 6706 and 6708, the Secretary shall pay the amount that would have been allocated to this local government to the unit of general local government that annexed it.

(c) OTHER LOCAL GOVERNMENT ALLOCATIONS.—

(1) IN GENERAL.—The Secretary shall allocate among the units of general local government in a State (other than units receiving allocations under subsection (a)) the amount allocated to the State under section 6704 (as that amount is reduced by allocations under subsection (a)). Of the amount to be allocated, the Secretary shall allocate a portion equal to ½ of such amount in accordance with section 6706(1), and shall allocate a portion equal to ½ of such amount in accordance with section 6706(2). A unit of general local government shall receive an amount equal to the sum of amounts allocated to the unit from each portion.

(2) RATIO.—From each portion to be allocated to units of local government in a State

¹ So in original. Probably should be “of the”.

¹ So in original. Probably should be capitalized.

under paragraph (1), the Secretary shall allocate to a unit an amount bearing the same ratio to the funds to be allocated as—

(A) the population of the unit, multiplied by the general tax effort factor of the unit (determined under paragraph (3)), multiplied by the income gap of the unit (determined under paragraph (4)), bears to

(B) the sum of the products determined under subparagraph (A) for all units in the State for which the income gap for that portion under paragraph (4) is greater than zero.

(3) GENERAL TAX EFFORT FACTOR.—(A) Except as provided in subparagraph (C), the general tax effort factor of a unit of general local government for a payment period is—

(i) the adjusted taxes of the unit; divided by

(ii) the total income attributed to the unit.

(B) If the amount determined under subparagraphs (A)(i) and (ii) for a unit of general local government is less than zero, the general tax effort factor of the unit is deemed to be zero.

(C)(i) Except as otherwise provided in this subparagraph, for the payment period beginning October 1, 1994, the adjusted taxes of a unit of general local government are the taxes imposed by the unit for public purposes (except employee and employer assessments and contributions to finance retirement and social insurance systems and other special assessments for capital outlay), as determined by the Bureau of the Census for the 1987 Census of Governments and adjusted as follows:

(I) Adjusted taxes equals total taxes times a fraction in which the numerator is the sum of unrestricted revenues and revenues dedicated for spending on education minus total education spending and the denominator is total unrestricted revenues.

(II) Total taxes is the sum of property tax; general sales tax; alcoholic beverage tax; amusement tax; insurance premium tax; motor fuels tax; parimutuels tax; public utilities tax; tobacco tax; other selective sales tax; alcoholic beverage licenses, amusement licenses; corporation licenses, hunting and fishing licenses; motor vehicle licenses; motor vehicle operator licenses; public utility licenses; occupation and business licenses, not elsewhere classified; other licenses, individual income tax; corporation net income tax; death and gift tax; documentary and stock transfer tax; severance tax; and taxes not elsewhere classified.

(III) Unrestricted revenues is the sum of total taxes and intergovernmental revenue from Federal Government, general revenue sharing; intergovernmental revenue from Federal Government, other general support; intergovernmental revenue from Federal Government, other; intergovernmental revenue from State government, other general support; intergovernmental revenue from State government, other; intergovernmental revenue from local governments, other general support; intergovernmental revenue from local governments, other; miscellaneous general revenue, property sale-housing

and community development; miscellaneous general revenue, property sale-other property; miscellaneous general revenue, interest earnings on investments; miscellaneous general revenue, fines and forfeits; miscellaneous general revenue, rents; miscellaneous general revenues, royalties; miscellaneous general revenue, donations from private sources; miscellaneous general revenue, net lottery revenue (after prizes and administrative expenses); miscellaneous general revenue, other miscellaneous general revenue; and all other general charges, not elsewhere classified.

(IV) Revenues dedicated for spending on education is the sum of elementary and secondary education, school lunch; elementary and secondary education, tuition; elementary and secondary education, other; higher education, auxiliary enterprises; higher education, other; other education, not elsewhere classified; intergovernmental revenue from Federal Government, education; intergovernmental revenue from State government, education; intergovernmental revenue from local governments, interschool system revenue; intergovernmental revenue from local governments, education; interest earnings, higher education; interest earnings, elementary and secondary education; miscellaneous revenues, higher education; and miscellaneous revenues, elementary and secondary education.

(V) Total education spending is the sum of elementary and secondary education, current operations; elementary and secondary education, construction; elementary and secondary education, other capital outlays; elementary and secondary education, to State governments; elementary and secondary education, to local governments, not elsewhere classified; elementary and secondary education, to counties; elementary and secondary education, to municipalities; elementary and secondary education, to townships; elementary and secondary education, to school districts; elementary and secondary education, to special districts; higher education-auxiliary enterprises, current operations; higher education-auxiliary enterprises, construction; higher education, auxiliary enterprises, other capital outlays; other higher education, current operations; other higher education, construction; other higher education, other capital outlays; other higher education, to State government; other higher education, to local governments, not elsewhere classified; other higher education, to counties; other higher education, to municipalities; other higher education, to townships; other higher education, to school districts; other higher education, to special districts; education assistance and subsidies; education, not elsewhere classified, current operations; education, not elsewhere classified, construction² education, not elsewhere classified, other capital outlays; education, not elsewhere classified, to State government; education, not elsewhere classified, to

² So in original. Probably should be followed by a semicolon.

local governments, not elsewhere classified; education, not elsewhere classified, to counties; education, not elsewhere classified, to municipalities; education, not elsewhere classified, to townships; education, not elsewhere classified, to school districts; education, not elsewhere classified, to special districts; and education, not elsewhere classified, to Federal Government.

(VI) If the amount of adjusted taxes is less than zero, the amount of adjusted tax shall be deemed to be zero.

(VII) If the amount of adjusted taxes exceeds the amount of total taxes, the amount of adjusted taxes is deemed to equal the amount of total taxes.

(ii) The Secretary shall, for purposes of clause (i), include that part of sales taxes transferred to a unit of general local government that are imposed by a county government in the geographic area of which is located the unit of general local government as taxes imposed by the unit for public purposes if—

(I) the county government transfers any part of the revenue from the taxes to the unit of general local government without specifying the purpose for which the unit of general local government may expend the revenue; and

(II) the chief executive officer of the State notifies the Secretary that the taxes satisfy the requirements of this clause.

(iii) The adjusted taxes of a unit of general local government shall not exceed the maximum allowable adjusted taxes for that unit.

(iv) The maximum allowable adjusted taxes for a unit of general local government is the allowable adjusted taxes of the unit minus the excess adjusted taxes of the unit.

(v) The allowable adjusted taxes of a unit of general government is the greater of—

(I) the amount equal to 2.5, multiplied by the per capita adjusted taxes of all units of general local government of the same type in the State, multiplied by the population of the unit; or

(II) the amount equal to the population of the unit, multiplied by the sum of the adjusted taxes of all units of municipal local government in the State, divided by the sum of the populations of all the units of municipal local government in the State.

(vi) The excess adjusted taxes of a unit of general local government is the amount equal to—

(I) the adjusted taxes of the unit, minus

(II) 1.5 multiplied by the allowable adjusted taxes of the unit;

except that if this amount is less than zero then the excess adjusted taxes of the unit is deemed to be zero.

(vii) For purposes of this subparagraph—

(I) the term “per capita adjusted taxes of all units of general local government of the same type” means the sum of the adjusted taxes of all units of general local government of the same type divided by the sum of the populations of all units of general local government of the same type; and

(II) the term “units of general local government of the same type” means all townships if the unit of general local government is a township, all municipalities if the unit of general local government is a municipality, all counties if the unit of general local government is a county, or all unified city/county governments if the unit of general local government is a unified city/county government.

(4) INCOME GAP.—(A) Except as provided in subparagraph (B), the income gap of a unit of general local government is—

(i) the number which applies under section 6706, multiplied by the per capita income of the State in which the unit is located; minus

(ii) the per capita income of the geographic area of the unit.

(B) If the amount determined under subparagraph (A) for a unit of general local government is less than zero, then the relative income factor of the unit is deemed to be zero.

(d) SMALL GOVERNMENT ALLOCATIONS.—If the Secretary decides that information available for a unit of general local government with a population below a number (of not more than 500) prescribed by the Secretary is inadequate, the Secretary may allocate to the unit, in lieu of any allocation under subsection (b) for a payment period, an amount bearing the same ratio to the total amount to be allocated under subsection (b) for the period for all units of general local government in the State as the population of the unit bears to the population of all units in the State.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1867.)

PRIOR PROVISIONS

A prior section 6705, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1014, related to State government allocations, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6706. Income gap multiplier

For purposes of determining the income gap of a unit of general local government under section 6705(b)(4)(A),¹ the number which applies is—

(1) 1.6, with respect to $\frac{1}{2}$ of any amount allocated under section 6704 to the State in which the unit is located; and

(2) 1.2, with respect to the remainder of such amount.

(Added Pub. L. 103-322, title III, §301001(a), Sept. 13, 1994, 108 stat. 1871.)

PRIOR PROVISIONS

A prior section 6706, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1014, related to reductions in State government allocations, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6707. State variation of local government allocations

(a) STATE FORMULA.—A State government may provide by law for the allocation of amounts

¹ So in original. Probably should be section “6705(c)(4)(A).”

among units of general local government in the State on the basis of population multiplied by the general tax effort factors or income gaps of the units of general local government determined under sections 6705(a) and (b)¹ or a combination of those factors. A State government providing for a variation of an allocation formula provided under sections 6705(a) and (b)¹ shall notify the Secretary of the variation by the 30th day before the beginning of the first payment period in which the variation applies. A variation shall—

- (1) provide for allocating the total amount allocated under sections 6705(a) and (b);¹ and
- (2) apply uniformly in the State.

(b) **CERTIFICATION.**—A variation by a State government under this section may apply only if the Secretary certifies that the variation complies with this section. The Secretary may certify a variation only if the Secretary is notified of the variation at least 30 days before the first payment period in which the variation applies.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1872.)

PRIOR PROVISIONS

A prior section 6707, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1016; Pub. L. 98-185, §9(c), Nov. 30, 1983, 97 Stat. 1312, related to State allocations for units of general local government, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6708. Adjustments of local government allocations

(a) **MAXIMUM AMOUNT.**—The amount allocated to a unit of general local government for a payment period may not exceed the adjusted taxes imposed by the unit of general local government as determined under section 6705(b)(3).¹ Amounts in excess of adjusted taxes shall be paid to the Governor of the State in which the unit of local government is located.

(b) **DE MINIMIS ALLOCATIONS TO UNITS OF GENERAL LOCAL GOVERNMENT.**—If the amount allocated to a unit of general local government (except an Indian tribe or an Alaskan native² village) for a payment period would be less than \$5,000 but for this subsection or is waived by the governing authority of the unit of general local government, the Secretary shall pay the amount to the Governor of the State in which the unit is located.

(c) **USE OF PAYMENTS TO STATES.**—The Governor of a State shall use all amounts paid to the Governor under subsections (a) and (b) for programs described in section 6701(a)(2) in areas of the State where are located the units of general local government with respect to which amounts are paid under subsection (b).

(d) **DE MINIMIS ALLOCATIONS TO INDIAN TRIBES AND ALASKAN NATIVE VILLAGES.**—

- (1) **AGGREGATION OF DE MINIMIS ALLOCATIONS.**—If the amount allocated to an Indian tribe or an Alaskan native² village for a payment period would be less than \$5,000 but for this subsection or is waived by the chief elected official of the tribe or village, the amount—

(A) shall not be paid to the tribe or village (except under paragraph (2)); and

(B) shall be aggregated with other such amounts and available for use by the Attorney General under paragraph (2).

(2) **USE OF AGGREGATED AMOUNTS.**—Amounts aggregated under paragraph (1) for a payment period shall be available for use by the Attorney General to make grants in the payment period on a competitive basis to Indian Tribes³ and Alaskan native² village⁴ for—

(A) programs described in section 6701(a)(2); or

(B) renovating or building prisons or other correctional facilities.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1872.)

PRIOR PROVISIONS

A prior section 6708, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1017, related to county area and county government allocations, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6709. Information used in allocation formulas

(a) **POPULATION DATA FOR PAYMENT PERIOD BEGINNING OCTOBER 1, 1994.**—For the payment period beginning October 1, 1994, the Secretary, in making allocations pursuant to sections 6704 through 6706 and 6708, shall use for the population of the States the population for 1992 as reported by the Bureau of the Census in the publication Current Population Reports, Series P-25, No. 1045 (July 1992) and for the population of units of general local government the Secretary shall use the population for 1990 as reported by the Bureau of the Census in the publication Summary Social, Economic, and Housing Characteristics.

(b) **DATA FOR PAYMENT PERIODS BEGINNING AFTER SEPTEMBER 30, 1995.**—For any payment period beginning after September 30, 1995, the Secretary, in making allocations pursuant to sections 6704 through 6706 and 6708, shall use information more recent than the information used for the payment period beginning October 1, 1994, provided the Secretary notifies the Committee on Government Operations of the House of Representatives at least 90 days prior to the beginning of the payment period that the Secretary has determined that the more recent information is more reliable than the information used for the payment period beginning October 1, 1994.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1873.)

PRIOR PROVISIONS

A prior section 6709, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1018; Pub. L. 97-452, §1(25), Jan. 12, 1983, 96 Stat. 2478; Pub. L. 98-185, §9(d), Nov. 30, 1983, 97 Stat. 1312, related to other local government allocations, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

CHANGE OF NAME

Committee on Government Operations of House of Representatives treated as referring to Committee on

¹ So in original. Probably should be "section 6705(a) and (c)".

¹ So in original. Probably should be section "6705(c)(3)."

² So in original. Probably should be capitalized.

³ So in original. Probably should not be capitalized.

⁴ So in original. Probably should be "villages".

Government Reform and Oversight of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Government Reform and Oversight of House of Representatives changed to Committee on Government Reform of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999. Committee on Government Reform of House of Representatives changed to Committee on Oversight and Government Reform of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

§ 6710. Public participation

(a) HEARINGS.—

(1) IN GENERAL.—A unit of general local government expending payments under this chapter shall hold at least one public hearing on the proposed use of the payment in relation to its entire budget. At the hearing, persons shall be given an opportunity to provide written and oral views to the governmental authority responsible for enacting the budget and to ask questions about the entire budget and the relation of the payment to the entire budget. The government shall hold the hearing at a time and a place that allows and encourages public attendance and participation.

(2) SENIOR CITIZENS.—A unit of general local government holding a hearing required under this subsection or by the budget process of the government shall try to provide senior citizens and senior citizen organizations with an opportunity to present views at the hearing before the government makes a final decision on the use of the payment.

(b) DISCLOSURE OF INFORMATION.—

(1) IN GENERAL.—By the 10th day before a hearing required under subsection (a)(1) is held, a unit of general local government shall—

(A) make available for inspection by the public at the principal office of the government a statement of the proposed use of the payment and a summary of the proposed budget of the government; and

(B) publish in at least one newspaper of general circulation the proposed use of the payment with the summary of the proposed budget and a notice of the time and place of the hearing.

(2) AVAILABILITY.—By the 30th day after adoption of the budget under State or local law, the government shall—

(A) make available for inspection by the public at the principal office of the government a summary of the adopted budget, including the proposed use of the payment; and

(B) publish in at least one newspaper of general circulation a notice that the information referred to in subparagraph (A) is available for inspection.

(c) WAIVERS OF REQUIREMENTS.—A requirement—

(1) under subsection (a)(1) may be waived if the budget process required under the applicable State or local law or charter provisions—

(A) ensures the opportunity for public attendance and participation contemplated by subsection (a); and

(B) includes a hearing on the proposed use of a payment received under this chapter in relation to the entire budget of the government; and

(2) under subsection (b)(1)(B) and paragraph (2)(B) may be waived if the cost of publishing the information would be unreasonably burdensome in relation to the amount allocated to the government from amounts available for payment under this chapter, or if publication is otherwise impracticable.

(d) EXCEPTION TO 10-DAY LIMITATION.—If the Secretary is satisfied that a unit of general local government will provide adequate notice of the proposed use of a payment received under this chapter, the 10-day period under subsection (b)(1) may be changed to the extent necessary to comply with applicable State or local law.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1873.)

PRIOR PROVISIONS

A prior section 6710, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1020, related to separate law enforcement officer allocations for Louisiana, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6711. Prohibited discrimination

(a) GENERAL PROHIBITION.—No person in the United States shall be excluded from participating in, be denied the benefits of, or be subject to discrimination under, a program or activity of a unit of general local government because of race, color, national origin, or sex if the government receives a payment under this chapter.

(b) ADDITIONAL PROHIBITIONS.—The following prohibitions and exemptions also apply to a program or activity of a unit of general local government if the government receives a payment under this chapter:

(1) A prohibition against discrimination because of age under the Age Discrimination Act of 1975.

(2) A prohibition against discrimination against an otherwise qualified handicapped individual under section 504 of the Rehabilitation Act of 1973.

(3) A prohibition against discrimination because of religion, or an exemption from that prohibition, under the Civil Rights Act of 1964 or title VIII of the Act of April 11, 1968 (popularly known as the Civil Rights Act of 1968).

(c) LIMITATIONS ON APPLICABILITY OF PROHIBITIONS.—Subsections (a) and (b) do not apply if the government shows, by clear and convincing evidence, that a payment received under this chapter is not used to pay for any part of the program or activity with respect to which the allegation of discrimination is made.

(d) INVESTIGATION AGREEMENTS.—The Secretary shall try to make agreements with heads of agencies of the United States Government and State agencies to investigate noncompliance with this section. An agreement shall—

(1) describe the cooperative efforts to be taken (including sharing civil rights enforcement personnel and resources) to obtain compliance with this section; and

(2) provide for notifying immediately the Secretary of actions brought by the United States Government or State agencies against a unit of general local government alleging a violation of a civil rights law or a regulation prescribed under a civil rights law.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1874.)

REFERENCES IN TEXT

The Age Discrimination Act of 1975, referred to in subsec. (b)(1), is title III of Pub. L. 94-135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§6101 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of Title 42 and Tables.

Section 504 of the Rehabilitation Act of 1973, referred to in subsec. (b)(2), is classified to section 794 of Title 29, Labor.

The Civil Rights Act of 1964, referred to in subsec. (b)(3), is Pub. L. 88-352, July 2, 1964, 78 Stat. 241, as amended, which is classified principally to subchapters II to IX (§2000a et seq.) of chapter 21 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of Title 42 and Tables.

Title VIII of the Act of April 11, 1968, referred to in subsec. (b)(3), is title VIII of Pub. L. 90-284, Apr. 11, 1968, 82 Stat. 81, as amended, known as the Fair Housing Act, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of Title 42. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of Title 42 and Tables.

PRIOR PROVISIONS

A prior section 6711, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1021; Pub. L. 98-185, §4, Nov. 30, 1983, 97 Stat. 1309, related to State variation of local government allocations, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6712. Discrimination proceedings

(a) NOTICE OF NONCOMPLIANCE.—By the 10th day after the Secretary makes a finding of discrimination or receives a holding of discrimination about a unit of general local government, the Secretary shall submit a notice of non-compliance to the government. The notice shall state the basis of the finding or holding.

(b) INFORMAL PRESENTATION OF EVIDENCE.—A unit of general local government may present evidence informally to the Secretary within 30 days after the government receives a notice of noncompliance from the Secretary. Except as provided in subsection (e), the government may present evidence on whether—

(1) a person in the United States has been excluded or denied benefits of, or discriminated against under, the program or activity of the government, in violation of section 6711(a);

(2) the program or activity of the government violated a prohibition described in section 6711(b); and

(3) any part of that program or activity has been paid for with a payment received under this chapter.

(c) TEMPORARY SUSPENSION OF PAYMENTS.—By the end of the 30-day period under subsection (b), the Secretary shall decide whether the unit of general local government has not complied with section 6711(a) or (b), unless the govern-

ment has entered into a compliance agreement under section 6714. If the Secretary decides that the government has not complied, the Secretary shall notify the government of the decision and shall suspend payments to the government under this chapter unless, within 10 days after the government receives notice of the decision, the government—

(1) enters into a compliance agreement under section 6714; or

(2) requests a proceeding under subsection (d)(1).

(d) ADMINISTRATIVE REVIEW OF SUSPENSIONS.—

(1) PROCEEDING.—A proceeding requested under subsection (c)(2) shall begin by the 30th day after the Secretary receives a request for the proceeding. The proceeding shall be before an administrative law judge appointed under section 3105 of title 5, United States Code. By the 30th day after the beginning of the proceeding, the judge shall issue a preliminary decision based on the record at the time on whether the unit of general local government is likely to prevail in showing compliance with section 6711(a) or (b).

(2) DECISION.—If the administrative law judge decides at the end of a proceeding under paragraph (1) that the unit of general local government has—

(A) not complied with section 6711(a) or (b), the judge may order payments to the government under this chapter terminated; or

(B) complied with section 6711(a) or (b), a suspension under section 6713(a)(1)(A) shall be discontinued promptly.

(3) LIKELIHOOD OF PREVAILING.—An administrative law judge may not issue a preliminary decision that the government is not likely to prevail if the judge has issued a decision described in paragraph (2)(A).

(e) BASIS FOR REVIEW.—In a proceeding under subsections (b) through (d) on a program or activity of a unit of general local government about which a holding of discrimination has been made, the Secretary or administrative law judge may consider only whether a payment under this chapter was used to pay for any part of the program or activity. The holding of discrimination is conclusive. If the holding is reversed by an appellate court, the Secretary or judge shall end the proceeding.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1875.)

PRIOR PROVISIONS

A prior section 6712, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1021, related to adjustments of local government allocations, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6713. Suspension and termination of payments in discrimination proceedings

(a) IMPOSITION AND CONTINUATION OF SUSPENSIONS.—

(1) IN GENERAL.—The Secretary shall suspend payment under this chapter to a unit of general local government—

(A) if an administrative law judge appointed under section 3105 of title 5, United States Code, issues a preliminary decision in a proceeding under section 6712(d)(1) that the government is not likely to prevail in showing compliance with section 6711(a) and (b);

(B) if the administrative law judge decides at the end of the proceeding that the government has not complied with section 6711(a) or (b), unless the government makes a compliance agreement under section 6714 by the 30th day after the decision; or

(C) if required under section 6712(c).

(2) EFFECTIVENESS.—A suspension already ordered under paragraph (1)(A) continues in effect if the administrative law judge makes a decision under paragraph (1)(B).

(b) LIFTING OF SUSPENSIONS AND TERMINATIONS.—If a holding of discrimination is reversed by an appellate court, a suspension or termination of payments in a proceeding based on the holding shall be discontinued.

(c) RESUMPTION OF PAYMENTS UPON ATTAINING COMPLIANCE.—The Secretary may resume payment to a unit of general local government of payments suspended by the Secretary only—

(1) as of the time of, and under the conditions stated in—

(A) the approval by the Secretary of a compliance agreement under section 6714(a)(1); or

(B) a compliance agreement entered into by the Secretary under section 6714(a)(2);

(2) if the government complies completely with an order of a United States court, a State court, or administrative law judge that covers all matters raised in a notice of noncompliance submitted by the Secretary under section 6712(a);

(3) if a United States court, a State court, or an administrative law judge decides (including a judge in a proceeding under section 6712(d)(1)), that the government has complied with sections¹ 6711(a) and (b); or

(4) if a suspension is discontinued under subsection (b).

(d) PAYMENT OF DAMAGES AS COMPLIANCE.—For purposes of subsection (c)(2), compliance by a government may consist of the payment of restitution to a person injured because the government did not comply with section 6711(a) or (b).

(e) RESUMPTION OF PAYMENTS UPON REVERSAL BY COURT.—The Secretary may resume payment to a unit of general local government of payments terminated under section 6712(d)(2)(A) only if the decision resulting in the termination is reversed by an appellate court.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1876.)

PRIOR PROVISIONS

A prior section 6713, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1022; Pub. L. 98-185, §§5, 9(e), Nov. 30, 1983, 97 Stat. 1309, 1312, related to information used in allocation formulas, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

¹ So in original. Probably should be "section".

§ 6714. Compliance agreements

(a) TYPES OF COMPLIANCE AGREEMENTS.—A compliance agreement is an agreement—

(1) approved by the Secretary, between the governmental authority responsible for prosecuting a claim or complaint that is the basis of a holding of discrimination and the chief executive officer of the unit of general local government that has not complied with section 6711(a) or (b); or

(2) between the Secretary and the chief executive officer.

(b) CONTENTS OF AGREEMENTS.—A compliance agreement—

(1) shall state the conditions the unit of general local government has agreed to comply with that would satisfy the obligations of the government under sections¹ 6711(a) and (b);

(2) shall cover each matter that has been found not to comply, or would not comply, with section 6711(a) or (b); and

(3) may be a series of agreements that dispose of those matters.

(c) AVAILABILITY OF AGREEMENTS TO PARTIES.—The Secretary shall submit a copy of a compliance agreement to each person who filed a complaint referred to in section 6716(b), or, if an agreement under subsection (a)(1), each person who filed a complaint with a governmental authority, about a failure to comply with section 6711(a) or (b). The Secretary shall submit the copy by the 15th day after an agreement is made. However, if the Secretary approves an agreement under subsection (a)(1) after the agreement is made, the Secretary may submit the copy by the 15th day after approval of the agreement.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1877.)

PRIOR PROVISIONS

A prior section 6714, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1023; Pub. L. 98-185, §6, Nov. 30, 1983, 97 Stat. 1310, related to public hearings, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6715. Enforcement by the Attorney General of prohibitions on discrimination

The Attorney General may bring a civil action in an appropriate district court of the United States against a unit of general local government that the Attorney General has reason to believe has engaged or is engaging in a pattern or practice in violation of section 6711(a) or (b). The court may grant—

(1) a temporary restraining order;

(2) an injunction; or

(3) an appropriate order to ensure enjoyment of rights under section 6711(a) or (b), including an order suspending, terminating, or requiring repayment of, payments under this chapter or placing additional payments under this chapter in escrow pending the outcome of the action.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1877.)

¹ So in original. Probably should be "section".

PRIOR PROVISIONS

A prior section 6715, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1024, related to prohibition on using payments to influence legislation, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6716. Civil action by a person adversely affected

(a) **AUTHORITY FOR PRIVATE SUITS IN FEDERAL OR STATE COURT.**—If a unit of general local government, or an officer or employee of a unit of general local government acting in an official capacity, engages in a practice prohibited by this chapter, a person adversely affected by the practice may bring a civil action in an appropriate district court of the United States or a State court of general jurisdiction. Before bringing an action under this section, the person must exhaust administrative remedies under subsection (b).

(b) **ADMINISTRATIVE REMEDIES REQUIRED TO BE EXHAUSTED.**—A person adversely affected shall file an administrative complaint with the Secretary or the head of another agency of the United States Government or the State agency with which the Secretary has an agreement under section 6711(d). Administrative remedies are deemed to be exhausted by the person after the 90th day after the complaint was filed if the Secretary, the head of the Government agency, or the State agency—

- (1) issues a decision that the government has not failed to comply with this chapter; or
- (2) does not issue a decision on the complaint.

(c) **AUTHORITY OF COURT.**—In an action under this section, the court—

- (1) may grant—
 - (A) a temporary restraining order;
 - (B) an injunction; or
 - (C) another order, including suspension, termination, or repayment of, payments under this chapter or placement of additional payments under this chapter in escrow pending the outcome of the action; and
- (2) to enforce compliance with section 6711(a) or (b), may allow a prevailing party (except the United States Government) a reasonable attorney's fee.

(d) **INTERVENTION BY ATTORNEY GENERAL.**—In an action under this section to enforce compliance with section 6711(a) or (b), the Attorney General may intervene in the action if the Attorney General certifies that the action is of general public importance. The United States Government is entitled to the same relief as if the Government had brought the action and is liable for the same fees and costs as a private person.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1878.)

PRIOR PROVISIONS

A prior section 6716, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1024; Pub. L. 98-185, §9(f), (g), Nov. 30, 1983, 97 Stat. 1312; Pub. L. 98-216, §1(8), Feb. 14, 1984, 98 Stat. 4, related to prohibition of discrimination, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6717. Judicial review

(a) **APPEALS IN FEDERAL COURT OF APPEALS.**—A unit of general local government which receives notice from the Secretary about withholding payments under section 6703(f), suspending payments under section 6713(a)(1)(B), or terminating payments under section 6712(d)(2)(A), may apply for review of the action of the Secretary by filing a petition for review with the court of appeals of the United States for the circuit in which the government is located. The petition shall be filed by the 60th day after the date the notice is received. The clerk of the court shall immediately send a copy of the petition to the Secretary.

(b) **FILING OF RECORD OF ADMINISTRATIVE PROCEEDING.**—The Secretary shall file with the court a record of the proceeding on which the Secretary based the action. The court may consider only objections to the action of the Secretary that were presented before the Secretary.

(c) **COURT ACTION.**—The court may affirm, change, or set aside any part of the action of the Secretary. The findings of fact by the Secretary are conclusive if supported by substantial evidence in the record. If a finding is not supported by substantial evidence in the record, the court may remand the case to the Secretary to take additional evidence. Upon such a remand, the Secretary may make new or modified findings and shall certify additional proceedings to the court.

(d) **REVIEW ONLY BY SUPREME COURT.**—A judgment of a court under this section may be reviewed only by the Supreme Court under section 1254 of title 28, United States Code.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1878.)

PRIOR PROVISIONS

A prior section 6717, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1025; Pub. L. 98-185, §§7, 9(h), Nov. 30, 1983, 97 Stat. 1310, 1312, related to discrimination proceedings, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6718. Investigations and reviews

(a) **INVESTIGATIONS BY SECRETARY.**—

(1) **IN GENERAL.**—The Secretary shall within a reasonable time limit—

(A) carry out an investigation and make a finding after receiving a complaint referred to in section 6716(b), a determination by a State or local administrative agency, or other information about a possible violation of this chapter;

(B) carry out audits and reviews (including investigations of allegations) about possible violations of this chapter; and

(C) advise a complainant of the status of an audit, investigation, or review of an allegation by the complainant of a violation of section 6711(a) or (b) or other provision of this chapter.

(2) **TIME LIMIT.**—The maximum time limit under paragraph (1)(A) is 120 days.

(b) **REVIEWS BY COMPTROLLER GENERAL.**—The Comptroller General of the United States may carry out reviews of the activities of the Sec-

retary, State governments, and units of general local government necessary for the Congress to evaluate compliance and operations under this chapter. These reviews may include a comparison of the waste and inefficiency of local governments using funds under this chapter compared to waste and inefficiency with other comparable Federal programs.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1879; amended Pub. L. 104-316, title I, §115(k), Oct. 19, 1996, 110 Stat. 3835.)

PRIOR PROVISIONS

A prior section 6718, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1026; Pub. L. 98-185, §9(i), Nov. 30, 1983, 97 Stat. 1312, related to suspension and termination of payments in discrimination proceedings, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-316 substituted “may” for “shall” before “carry” and “include”.

§ 6719. Reports

(a) **REPORTS BY SECRETARY TO CONGRESS.**—Before June 2 of each year prior to 2002, the Secretary personally shall report to the Congress on—

(1) the status and operation of the Local Government Fiscal Assistance Fund during the prior fiscal year; and

(2) the administration of this chapter, including a complete and detailed analysis of—

(A) actions taken to comply with sections 6711 through 6715, including a description of the kind and extent of noncompliance and the status of pending complaints;

(B) the extent to which units of general local government receiving payments under this chapter have complied with the requirements of this chapter;

(C) the way in which payments under this chapter have been distributed in the jurisdictions receiving payments; and

(D) significant problems in carrying out this chapter and recommendations for legislation to remedy the problems.

(b) **REPORTS BY UNITS OF GENERAL LOCAL GOVERNMENT TO SECRETARY.**—

(1) **IN GENERAL.**—At the end of each fiscal year, each unit of general local government which received a payment under this chapter for the fiscal year shall submit a report to the Secretary. The report shall be submitted in the form and at a time prescribed by the Secretary and shall be available to the public for inspection. The report shall state—

(A) the amounts and purposes for which the payment has been appropriated, expended, or obligated in the fiscal year;

(B) the relationship of the payment to the relevant functional items in the budget of the government; and

(C) the differences between the actual and proposed use of the payment.

(2) **AVAILABILITY OF REPORT.**—The Secretary shall provide a copy of a report submitted under paragraph (1) by a unit of general local government to the chief executive officer of

the State in which the government is located. The Secretary shall provide the report in the manner and form prescribed by the Secretary.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1879.)

PRIOR PROVISIONS

A prior section 6719, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1027, related to compliance agreements, prior to repeal by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

§ 6720. Definitions, application, and administration

(a) **DEFINITIONS.**—In this chapter—

(1) “unit of general local government” means—

(A) a county, township, city, or political subdivision of a county, township, or city, that is a unit of general local government as determined by the Secretary of Commerce for general statistical purposes; and

(B) the District of Columbia and the recognized governing body of an Indian tribe or Alaskan Native village that carries out substantial governmental duties and powers;

(2) “payment period” means each 1-year period beginning on October 1 of the years 1994 through 2000;

(3) “State and local taxes” means taxes imposed by a State government or unit of general local government or other political subdivision of a State government for public purposes (except employee and employer assessments and contributions to finance retirement and social insurance systems and other special assessments for capital outlay) as determined by the Secretary of Commerce for general statistical purposes;

(4) “State” means any of the several States and the District of Columbia;

(5) “income” means the total money income received from all sources as determined by the Secretary of Commerce for general statistical purposes, which for units of general local government is reported by the Bureau of the Census for 1990 in the publication Summary Social, Economic, and Housing Characteristics;

(6) “per capita income” means—

(A) in the case of the United States, the income of the United States divided by the population of the United States;

(B) in the case of a State, the income of that State, divided by the population of that State; and

(C) in the case of a unit of general local government, the income of that unit of general local government divided by the population of the unit of general local government;

(7) “finding of discrimination” means a decision by the Secretary about a complaint described in section 6716(b), a decision by a State or local administrative agency, or other information (under regulations prescribed by the Secretary) that it is more likely than not that a unit of general local government has not complied with section 6711(a) or (b);

(8) “holding of discrimination” means a holding by a United States court, a State

court, or an administrative law judge appointed under section 3105 of title 5, United States Code, that a unit of general local government expending amounts received under this chapter has—

(A) excluded a person in the United States from participating in, denied the person the benefits of, or subjected the person to discrimination under, a program or activity because of race, color, national origin, or sex; or

(B) violated a prohibition against discrimination described in section 6711(b); and

(9) “Secretary” means the Secretary of Housing and Urban Development.

(b) DELEGATION OF ADMINISTRATION.—The Secretary may enter into agreements with other executive branch departments and agencies to delegate to that department or agency all or part of the Secretary’s responsibility for administering this chapter.

(c) TREATMENT OF SUBSUMED AREAS.—If the entire geographic area of a unit of general local government is located in a larger entity, the unit of general local government is deemed to be located in the larger entity. If only part of the geographic area of a unit is located in a larger entity, each part is deemed to be located in the larger entity and to be a separate unit of general local government in determining allocations under this chapter. Except as provided in regulations prescribed by the Secretary, the Secretary shall make all data computations based on the ratio of the estimated population of the part to the population of the entire unit of general local government.

(d) BOUNDARY AND OTHER CHANGES.—If a boundary line change, a State statutory or constitutional change, annexation, a governmental reorganization, or other circumstance results in the application of sections 6704 through 6708 in a way that does not carry out the purposes of sections 6701 through 6708, the Secretary shall apply sections 6701 through 6708 under regulations of the Secretary in a way that is consistent with those purposes.

(Added Pub. L. 103-322, title III, §31001(a), Sept. 13, 1994, 108 Stat. 1880.)

PRIOR PROVISIONS

Prior sections 6720 to 6724 were repealed by Pub. L. 99-272, title XIV, §14001(a)(1), (e), Apr. 7, 1986, 100 Stat. 327, 329, eff. Oct. 18, 1986.

Section 6720, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1027, related to enforcement by Attorney General of prohibitions on discrimination.

Section 6721, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1028, related to civil action by person adversely affected.

Section 6722, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1028, related to judicial review.

Section 6723, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1029; Pub. L. 98-185, § 8, Nov. 30, 1983, 97 Stat. 1310, related to audits, investigations, and reviews.

Section 6724, Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1030, related to reports to Congress.

CHAPTER 69—PAYMENT FOR ENTITLEMENT LAND

Sec.
6901. Definitions.

Sec.
6902. Authority and eligibility.
6903. Payments.
6904. Additional payments.
6905. Redwood National Park and the Lake Tahoe Basin.
6906. Funding.
6907. State legislation requiring reallocation or redistribution of payments to smaller units of general purpose government.

AMENDMENTS

2008—Pub. L. 110-343, div. C, title VI, §601(c)(2), Oct. 3, 2008, 122 Stat. 3911, added item 6906 and struck out former item 6906 “Authorization of appropriations”.

1994—Pub. L. 103-272, §4(f)(1)(U)(i), July 5, 1994, 108 Stat. 1362, added item 6907.

§ 6901. Definitions

In this chapter—

(1) “entitlement land” means land owned by the United States Government—

(A) that is in the National Park System or the National Forest System, including wilderness areas and lands described in section 2 of the Act of June 22, 1948 (16 U.S.C. 577d), and section 1 of the Act of June 22, 1956 (16 U.S.C. 577d-1);

(B) the Secretary of the Interior administers through the Bureau of Land Management;

(C) dedicated to the use of the Government for water resource development projects;

(D) on which are located semi-active or inactive installations (except industrial installations) that the Secretary of the Army keeps for mobilization and for reserve component training;

(E) that is a dredge disposal area under the jurisdiction of the Secretary of the Army;

(F) that is located in the vicinity of Purgatory River Canyon and Pinon Canyon, Colorado, and acquired after December 23, 1981, by the United States Government to expand the Fort Carson military installation;

(G) that is a reserve area (as defined in section 401(g)(3) of the Act of June 15, 1935 (16 U.S.C. 715s(g)(3))); or

(H) acquired by the Secretary of the Interior or the Secretary of Agriculture under section 5 of the Southern Nevada Public Land Management Act of 1998 that is not otherwise described in subparagraphs (A) through (G).

(2)(A) “unit of general local government” means—

(i) a county (or parish), township, borough, or city (other than in Alaska) where the city is independent of any other unit of general local government, that—

(I) is within the class or classes of such political subdivision in a State that the Secretary of the Interior, in his discretion, determines to be the principal provider or providers of governmental services within the State; and

(II) is a unit of general government, as determined by the Secretary of the Interior on the basis of the same principles as were used by the Secretary of Commerce on January 1, 1983, for general statistical purposes;

- (ii) any area in Alaska that is within the boundaries of a census area used by the Secretary of Commerce in the decennial census, but that is not included within the boundary of a governmental entity described under clause (i);
- (iii) the District of Columbia;
- (iv) the Commonwealth of Puerto Rico;
- (v) Guam; and
- (vi) the Virgin Islands.

(B) the term “governmental services” includes, but is not limited to, those services that relate to public safety, the environment, housing, social services, transportation, and governmental administration.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1031; Pub. L. 98-63, title I, §101(1), July 30, 1983, 97 Stat. 323; Pub. L. 100-446, title I, Sept. 27, 1988, 102 Stat. 1775; Pub. L. 103-272, §4(f)(3), July 5, 1994, 108 Stat. 1364; Pub. L. 104-333, div. I, title X, §1033(a), Nov. 12, 1996, 110 Stat. 4239; Pub. L. 105-83, title III, §350, Nov. 14, 1997, 111 Stat. 1607; Pub. L. 105-263, §5(d), Oct. 19, 1998, 112 Stat. 2348.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6901(1)(A)-(F)	31:1606(a)(1)-(3), (5), (b).	Oct. 20, 1976, Pub. L. 94-565, §6(a)(1)-(3), (5), (b), (c), 90 Stat. 2665; Dec. 23, 1981, Pub. L. 97-99, §912(a)(2), 95 Stat. 1387.
	31:1606(a)(4).	Oct. 20, 1976, Pub. L. 94-565, §6(a)(4), 90 Stat. 2665; re-stated Oct. 17, 1978, Pub. L. 95-469, §3(1), 92 Stat. 1321; Dec. 23, 1981, Pub. L. 97-99, §912(a)(1), 95 Stat. 1387.
	31:1606(a)(6).	Oct. 20, 1976, Pub. L. 94-565, 90 Stat. 2662, §6(a)(6); added Dec. 23, 1981, Pub. L. 97-99, §912(a)(3), 95 Stat. 1387.
6901(1)(G)	16:715s(h)(1).	June 15, 1935, ch. 261, 49 Stat. 378, §401(h)(1); added Oct. 17, 1978, Pub. L. 95-469, §1(a)(4), 92 Stat. 1321.
6901(2)	31:1606(c).	

In clause (1), before subclause (A), the text of 31:1606(b) is omitted as unnecessary because of the restatement of the source provisions. In subclause (A), the word “and” is substituted for “within each, or any combination thereof” to eliminate unnecessary words. The words “but not limited to” are omitted as surplus. In subclause (D), the words “effective October 1, 1978” are omitted as executed. The words “Secretary of the Army” are substituted for “Army” for consistency. In subclause (E), the words “owned by the United States” are omitted as surplus. The words “Secretary of the Army” are substituted for “Army Corps of Engineers” because of 10:3012. In subclause (F), the word “Government” is added for clarity. In subclause (G), the words “In administering sections 1601 to 1607 of title 31” are omitted as unnecessary. The words “for fiscal years occurring after September 30, 1978” are omitted as executed. Subclause (G) is substituted for 16:715s(h)(1) because of the restatement.

In clause (2), before subclause (A), the word “general” is added for consistency in the title. In subclause (A), the word “parish” is omitted as unnecessary because of 1:2. The word “city” is substituted for “municipality” for consistency in the subtitle. The words “State of” are omitted as surplus. The words “political subdivision of a State” are substituted for “unit of government below the State” for consistency. The words “the basis of” are omitted as surplus. The word “basis” is substituted for “principle” for consistency in the subtitle. The words “Secretary of Commerce” are substituted for “Bureau of the Census”, and the words

“general purpose political subdivision of a State” are substituted for “unit of general government”, for consistency. In subclause (B), the words “Such term also includes” are omitted as unnecessary. Subclause (D) is added because of section 502 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America.

REFERENCES IN TEXT

Section 5 of the Southern Nevada Public Land Management Act of 1998, referred to in par. (1)(H), is section 5 of Pub. L. 105-263, Oct. 19, 1998, 112 Stat. 2347, subsec. (d) of which amended this section. Subsecs. (a) to (c) of section 5, which related to acquisition of certain environmentally sensitive land, are not classified to the Code.

AMENDMENTS

1998—Par. (1)(H). Pub. L. 105-263 added subpar. (H).
 1997—Par. (2)(A)(i). Pub. L. 105-83 inserted “(other than in Alaska)” after “borough, or city”.

1996—Par. (2). Pub. L. 104-333 amended par. (2) generally. Prior to amendment, par. (2) read as follows: “‘unit of general local government’ means:

- “(A) a county (or parish), township, borough, or city where the city is independent of any other unit of general local government, that: (i) is within the class or classes of such political subdivisions in a State that the Secretary of the Interior, in his discretion, determines to be the principal provider or providers of governmental services within the State; and (ii) is a unit of general government as determined by the Secretary of the Interior on the basis of the same principles as were used on January 1, 1983, by the Secretary of Commerce for general statistical purposes. The term ‘governmental services’ includes, but is not limited to, those services that relate to public safety, environment, housing, social services, transportation, and governmental administration;
- “(B) the District of Columbia;
- “(C) the Commonwealth of Puerto Rico;
- “(D) Guam; and
- “(E) the Virgin Islands.”

1994—Par. (2)(A). Pub. L. 103-272 amended Pub. L. 100-446. See 1988 Amendment note below.

1988—Par. (2)(A). Pub. L. 100-446, as amended by Pub. L. 103-272, struck out “existing in Alaska on October 20, 1976” after “township, borough”.

1983—Par. (2). Pub. L. 98-63 amended par. (2) generally, substituting in subpar. (A) “a county (or parish), township, borough existing in Alaska on October 20, 1976, or city where the city is independent of any other unit of general local government, that: (i) is within the class or classes of such political subdivisions in a State that the Secretary of the Interior, in his discretion, determines to be the principal provider or providers of governmental services within the State; and (ii) is a unit of general government as determined by the Secretary of the Interior on the basis of the same principles as were used on January 1, 1983, by the Secretary of Commerce for general statistical purposes. The term ‘governmental services’ includes, but is not limited to, those services that relate to public safety, environment, housing, social services, transportation, and governmental administration” for “a county, city, township, borough existing in Alaska on October 20, 1976, or other political subdivision of a State that the Secretary of the Interior, on the same basis that the Secretary of Commerce uses for general statistical purposes, decides is a general purpose political subdivision of a State”; including the District of Columbia in definition; and excluding the Commonwealth of the Northern Mariana Islands from definition.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 4(f)(3) of Pub. L. 103-272 provided that the amendment made by that section is effective Sept. 27, 1988.

SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105-263, §1, Oct. 19, 1998, 112 Stat. 2343, provided that: “This Act [amending this section and sec-

tion 460ccc-1 of Title 16, Conservation] may be cited as the ‘Southern Nevada Public Land Management Act of 1998’.”

SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-397, §1, Oct. 22, 1994, 108 Stat. 4156, provided that: “This Act [amending sections 6902 and 6903 of this title and enacting provisions set out as notes under sections 6902 and 6903 of this title] may be cited as the ‘Payments In Lieu of Taxes Act’.”

§ 6902. Authority and Eligibility¹

(a)(1) Except as provided in paragraph (2), the Secretary of the Interior shall make a payment for each fiscal year to each unit of general local government in which entitlement land is located as set forth in this chapter. A unit of general local government may use the payment for any governmental purpose.

(2) For each unit of general local government described in section 6901(2)(A)(ii), the Secretary of the Interior shall make a payment for each fiscal year to the State of Alaska for entitlement land located within such unit as set forth in this chapter. The State of Alaska shall distribute such payment to home rule cities and general law cities (as such cities are defined by the State) located within the boundaries of the unit of general local government for which the payment was received. Such cities may use monies received under this paragraph for any governmental purpose.

(b) A unit of general local government may not receive a payment for land for which payment under this Act² otherwise may be received if the land was owned or administered by a State or unit of general local government and was exempt from real estate taxes when the land was conveyed to the United States except that a unit of general local government may receive a payment for—

(1) land a State or unit of general local government acquires from a private party to donate to the United States within 8 years of acquisition;

(2) land acquired by a State through an exchange with the United States if such land was entitlement land as defined by this chapter; or

(3) land in Utah acquired by the United States for Federal land, royalties, or other assets if, at the time of such acquisition, a unit of general local government was entitled under applicable State law to receive payments in lieu of taxes from the State of Utah for such land: *Provided, however*, That no payment under this paragraph shall exceed the payment that would have been made under State law if such land had not been acquired.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1032; Pub. L. 103-93, §10(b), Oct. 1, 1993, 107 Stat. 999; Pub. L. 103-397, §4, Oct. 22, 1994, 108 Stat. 4157; Pub. L. 104-333, div. I, title X, §1033(b), Nov. 12, 1996, 110 Stat. 4240.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6902(a)	31:1601.	Oct. 20, 1976, Pub. L. 94-565, §§1, 5(a), (b), 90 Stat. 2662, 2665.

¹ So in original. Probably should not be capitalized.

² So in original. Probably should be “this chapter”.

HISTORICAL AND REVISION NOTES—CONTINUED

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6902(b)	31:1605(c).	Oct. 20, 1976, Pub. L. 94-565, 90 Stat. 2662, §5(c); added Oct. 17, 1978, Pub. L. 95-469, §3(2), 92 Stat. 1321.
6902(c)	31:1605(a).	
6902(d)	31:1605(b).	

In subsection (a), the words “Effective for fiscal years beginning on and after October 1, 1976” are omitted as executed. The words “(as defined in section 1606 of this title)” are omitted because of the restatement. The text of 31:1601(last sentence) is omitted as unnecessary.

In subsection (b), the word “or” is substituted for “and/or” for consistency. The words “except that, beginning in fiscal year 1979” are omitted as executed. The words “of such land” are omitted as surplus. The word “Federal” is omitted as unnecessary. The words “and which is or was so donated . . . thereof by the State or unit of local government” are omitted as surplus.

In subsection (c), the citation in parentheses for the Act of May 24, 1939, is included only for information purposes.

In subsection (d), the words “county or” are omitted as unnecessary because a county is a unit of general local government under section 6901 of the revised title.

AMENDMENTS

1996—Subsec. (a). Pub. L. 104-333 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Secretary of the Interior shall make a payment for each fiscal year to each unit of general local government in which entitlement land is located, as set forth in this chapter. A unit of general local government may use the payment for any governmental purpose.”

1994—Pub. L. 103-397 amended section generally. Prior to amendment, section read as follows:

“(a) The Secretary of the Interior shall make a payment for each fiscal year to each unit of general local government in which entitlement land is located. A unit may use the payment for any governmental purpose.

“(b) A unit of general local government may not receive a payment for land for which payment under this chapter otherwise may be received if the land was owned or administered by a State or unit and was exempt from real estate taxes when the land was conveyed to the United States Government. This subsection does not apply to payments for land a State or unit acquires from a private party to donate to the Government within 8 years of acquisition, nor does this subsection apply to payments for lands in Utah acquired by the United States if at the time of such acquisition units, under applicable State law, were entitled to receive payments from the State for such lands, but in such case no payment under this chapter with respect to such acquired lands shall exceed the payment that would have been made under State law if such lands had not been acquired.

“(c) A unit of general local government receiving payment for a fiscal year for land under the Act of August 28, 1937 (43 U.S.C. 1181a et seq.), or the Act of May 24, 1939 (ch. 144, 53 Stat. 753), may not receive a payment under this chapter for the land for that fiscal year. This chapter does not apply to either Act.

“(d) If the total payment to a unit of general local government for a fiscal year would be less than \$100, the Secretary may not make the payment.”

1993—Subsec. (b). Pub. L. 103-93 substituted “acquisition, nor does this subsection apply to payments for lands in Utah acquired by the United States if at the time of such acquisition units, under applicable State law, were entitled to receive payments from the State for such lands, but in such case no payment under this chapter with respect to such acquired lands shall exceed the payment that would have been made under

State law if such lands had not been acquired” for “acquisition”.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 5(a) of Pub. L. 103-397 provided that:
“(1) IN GENERAL.—Except as provided in paragraph (2), this Act [amending this section and section 6903 of this title and enacting provisions set out as notes under sections 6901 and 6903 of this title] and the amendments made by this Act shall become effective on October 1, 1994.

“(2) LIMITATION.—The amendment made by section 2(b)(2) [amending section 6903 of this title] shall become effective on October 1, 1998.”

§ 6903. Payments

- (a) In this section—
(1) “payment law” means—
(A) the Act of June 20, 1910 (ch. 310, 36 Stat. 557);
(B) section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012);
(C) the Act of May 23, 1908 (16 U.S.C. 500) or the Secure Rural Schools and Community Self-Determination Act of 2000;
(D) section 5 of the Act of June 22, 1948 (16 U.S.C. 577g, 577g-1);
(E) section 401(c)(2) of the Act of June 15, 1935 (16 U.S.C. 715s(c)(2));
(F) section 17 of the Federal Power Act (16 U.S.C. 810);
(G) section 35 of the Act of February 25, 1920 (30 U.S.C. 191);
(H) section 6 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355);
(I) section 3 of the Act of July 31, 1947 (30 U.S.C. 603); and
(J) section 10 of the Act of June 28, 1934 (known as the Taylor Grazing Act) (43 U.S.C. 315i).

(2) population shall be determined on the same basis that the Secretary of Commerce determines resident population for general statistical purposes.

(3) a unit of general local government may not be credited with a population of more than 50,000.

(b)(1) A payment under section 6902 of this title is equal to the greater of—

- (A) 93 cents during fiscal year 1995, \$1.11 during fiscal year 1996, \$1.29 during fiscal year 1997, \$1.47 during fiscal year 1998, and \$1.65 during fiscal year 1999 and thereafter, for each acre of entitlement land located within a unit of general local government (but not more than the limitation determined under subsection (c) of this section) reduced (but not below 0) by amounts the unit received in the prior fiscal year under a payment law; or
(B) 12 cents during fiscal year 1995, 15 cents during fiscal year 1996, 17 cents during fiscal year 1997, 20 cents during fiscal year 1998, and 22 cents during fiscal year 1999 and thereafter, for each acre of entitlement land located in the unit (but not more than the limitation determined under subsection (c) of this section).

(2) The chief executive officer of a State shall submit to the Secretary of the Interior a statement on the amounts of payments the State transfers to each unit of general local government in the State out of amounts received under a payment law.

(c)(1) The limitation for a unit of general local government with a population of not more than 4,999 is the highest dollar amount specified in paragraph (2).

(2) The limitation for a unit of general local government with a population of at least 5,000 is the following amount (rounding the population off to the nearest thousand):

Table with 3 columns: If population equals—, the limitation is equal to the population, times—. Rows range from 5,000 to 50,000 with corresponding dollar amounts from \$110.00 to \$44.00.

(d) On October 1 of each year after the date of enactment of the Payment in Lieu of Taxes Act, the Secretary of the Interior shall adjust each dollar amount specified in subsections (b) and (c) to reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor, for the 12 months ending the preceding June 30.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1032; Pub. L. 98-63, title I, §101(2), July 30, 1983, 97 Stat. 324; Pub. L. 103-397, §§2, 3, 5(b), Oct. 22, 1994, 108 Stat. 4156-4158; Pub. L. 106-393, §4, Oct. 30, 2000, 114 Stat. 1610.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6903(a)(1)	16:715s(h)(2).	June 15, 1935, ch. 261, 49 Stat. 378, §401(h)(2); added Oct. 17, 1978, Pub. L. 95-469, §1(a)(4), 92 Stat. 1321.
	31:1604.	Oct. 20, 1976, Pub. L. 94-565, §§2, 4, 90 Stat. 2662, 2664.
6903(a)(2)	31:1602(c).	
6903(a)(3)	31:1602(b)(2)(last sentence).	
6903(a)(4)	31:1602(d).	
6903(b)(1)	31:1602(a)(1st sentence).	
6903(b)(2)	31:1602(a)(last sentence).	
6903(c)	31:1602(b)(1), (2)(1st sentence).	

In subsection (a)(1), before subclause (A), the word “payment” is added for clarity. Subclause (E) is substituted for 16:715s(h)(2) because of the restatement. In clause (2), the words “Secretary of Commerce” are substituted for “Bureau of the Census” for consistency. In clause (4), the words “the jurisdiction of” are omitted as surplus. The word “deemed” is substituted for “treated” for consistency.

In subsections (b) and (c), the word “population” before “limitation” is omitted as unnecessary.

In subsection (b)(1), before clause (A), the words “The amount of . . . made for any fiscal year to a unit of local government . . . the following amounts” are omitted as surplus. In clauses (A) and (B), the words “the boundaries of” are omitted as surplus. In clause (A), the words “aggregate . . . of payments, if any” are omitted as surplus. The words “a payment law” are substituted for “all of the provisions specified in section 1604 of this title” because of the restatement.

In subsection (b)(2), the words “chief executive officer” are substituted for “Governor (or his delegate)” for consistency in the revised title and with other titles of the United States Code. The words “a payment law” are substituted for “a provision specified in section 1604 of this title” because of the restatement of 31:1604 in subsection (a).

In subsection (c)(1), the words “amount equal to” and “within the jurisdiction of such unit of local government” are omitted as surplus.

In subsection (c)(2), the words “computed under the . . . table” are omitted as unnecessary. The words “the limitation is equal to the population times” are substituted for “Payment shall not exceed the amount computed by multiplying such population by” for clarity and consistency.

REFERENCES IN TEXT

Act of June 20, 1910 (ch. 310, 36 Stat. 557), referred to in subsec. (a)(1)(A), is not classified to the Code.

The Secure Rural Schools and Community Self-Determination Act of 2000, referred to in subsec. (a)(1)(C), is Pub. L. 106-393, Oct. 30, 2000, 114 Stat. 1607, which is classified principally to chapter 90 (§7101 et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of Title 16 and Tables.

The date of enactment of the Payment in Lieu of Taxes Act, referred to in subsec. (d), probably means the date of enactment of the Payments In Lieu of Taxes Act, Pub. L. 103-397, which was approved Oct. 22, 1994.

AMENDMENTS

2000—Subsec. (a)(1)(C). Pub. L. 106-393 inserted “or the Secure Rural Schools and Community Self-Determination Act of 2000” before semicolon at end.

1994—Subsec. (b)(1)(A). Pub. L. 103-397, §2(a)(1), substituted “93 cents during fiscal year 1995, \$1.11 during fiscal year 1996, \$1.29 during fiscal year 1997, \$1.47 during fiscal year 1998, and \$1.65 during fiscal year 1999 and thereafter, for each acre of entitlement land” for “75 cents for each acre of entitlement land”.

Subsec. (b)(1)(B). Pub. L. 103-397, §2(a)(2), substituted “12 cents during fiscal year 1995, 15 cents during fiscal year 1996, 17 cents during fiscal year 1997, 20 cents during fiscal year 1998, and 22 cents during fiscal year 1999 and thereafter, for each acre of entitlement land” for “10 cents for each acre of entitlement land”.

Subsec. (c)(1). Pub. L. 103-397, §2(b)(1), substituted “the highest dollar amount specified in paragraph (2)” for “\$50 times the population”.

Subsec. (c)(2). Pub. L. 103-397, §2(b)(2), amended table generally by augmenting dollar amounts by which population totals must be multiplied in order to equal the limitation from \$39.25 to \$98.00 under prior table to \$44.00 to \$110.00.

Pub. L. 103-397, §5(b)(4), amended table generally for fiscal year 1998 by augmenting dollar amounts by which population totals must be multiplied in order to equal the limitation from \$34.50 to \$86.00 under prior table to \$39.25 to \$98.00.

Pub. L. 103-397, §5(b)(3), amended table generally for fiscal year 1997 by augmenting dollar amounts by which population totals must be multiplied in order to equal the limitation from \$29.50 to \$74.00 under prior table to \$34.50 to \$86.00.

Pub. L. 103-397, §5(b)(2), amended table generally for fiscal year 1996 by augmenting dollar amounts by which population totals must be multiplied in order to equal the limitation from \$24.75 to \$62.00 under prior table to \$29.50 to \$74.00.

Pub. L. 103-397, §5(b)(1), amended table generally for fiscal year 1995 by augmenting dollar amounts by which population totals must be multiplied in order to equal the limitation from \$20.00 to \$50.00 under prior table to \$24.75 to \$62.00.

Subsec. (d). Pub. L. 103-397, §3, added subsec. (d).

1983—Subsec. (a)(4). Pub. L. 98-63 struck out par. (4) which provided that if any part of a small unit was located within another unit, entitlement land within both units was deemed to be located within the smaller unit.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by sections 2(a), (b)(1), and 3 of Pub. L. 103-397 effective Oct. 1, 1994, and amendment by section 2(b)(2) of Pub. L. 103-397 effective Oct. 1, 1998, see section 5(a) of Pub. L. 103-397, set out as a note under section 6902 of this title.

Section 5(b)(1) of Pub. L. 103-397 provided for the amendment of the table at the end of subsec. (c)(2) of this section during fiscal year 1995.

Section 5(b)(2) of Pub. L. 103-397 provided for the amendment of the table at the end of subsec. (c)(2) of this section during fiscal year 1996.

Section 5(b)(3) of Pub. L. 103-397 provided for the amendment of the table at the end of subsec. (c)(2) of this section during fiscal year 1997.

Section 5(b)(4) of Pub. L. 103-397 provided for the amendment of the table at the end of subsec. (c)(2) of this section during fiscal year 1998.

PAYMENTS MADE PRIOR TO JANUARY 1, 1983

Section 101(3) of Pub. L. 98-63 provided in part that: “The United States shall not be subject to any cause of action or any liability for distribution of payments made prior to January 1, 1983, under the Act of October 20, 1976 (90 Stat. 2662), as amended [Pub. L. 94-565, see 31 U.S.C. 6901 et seq.], or regulations pursuant thereto.”

§ 6904. Additional payments

(a) In addition to payments the Secretary of the Interior makes under section 6902 of this title, the Secretary shall make a payment for each fiscal year to a unit of general local government collecting and distributing real property taxes (including a unit in Alaska outside the boundaries of an organized borough) in which is located an interest in land that—

(1) the United States Government acquires for—

- (A) the National Park System; or
 - (B) the National Forest Wilderness Areas;
- and

(2) was subject to local real property taxes within the 5-year period before the interest is acquired.

(b) The Secretary shall make payments only for the 5 fiscal years after the fiscal year in which the interest in land is acquired. Under guidelines the Secretary prescribes, the unit of general local government receiving the payment from the Secretary shall distribute payments proportionally to units and school districts that lost real property taxes because of the acquisition of the interest. A unit receiving a distribution may use a payment for any governmental purpose.

(c) Each yearly payment by the Secretary under this section is equal to one percent of the fair market value of the interest in land on the date the Government acquires the interest. However, a payment may not be more than the amount of real property taxes levied on the property during the last fiscal year before the fiscal year in which the interest is acquired. A decision on fair market value under this section may not include an increase in the value of an interest because the land is rezoned when the rezoning causes the increase after the date of enactment of a law authorizing the acquisition of an interest under subsection (a) of this section.

(d) The Secretary may prescribe regulations under which payments may be made to units of general local government when subsections (a) and (b) of this section will not carry out the purpose of subsections (a) and (b).

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1033.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6904(a)	31:1603(a)(1st, 3d sentences). 31:1603(e).	Oct. 20, 1976, Pub. L. 94-565, §3(a)-(d), 90 Stat. 2663. Oct. 20, 1976, Pub. L. 94-565, 90 Stat. 2662, §3(e); added Oct. 17, 1978, Pub. L. 95-469, §3(3), 92 Stat. 1322.
6904(b)	31:1603(a)(2d sentence), (b), (d).	
6904(c)	31:1603(c).	
6904(d)	31:1603(a)(last sentence).	

In the section, the words “land or” are omitted as being included in “interest in land”.

In subsection (a), before clause (1), the words “the Secretary of the Interior makes” are added for clarity. The words “unit of general local government collecting and distributing real property taxes (including a unit in Alaska outside the boundaries of an organized borough)” are substituted for “county” and 31:1603(a)(3d sentence) and (e) to eliminate unnecessary words. The words “the jurisdiction of” are omitted as surplus. In subclause (A), the words “for the Redwood National Park pursuant to subchapter VII of chapter 1 of title 16” are omitted as executed because the Redwood National Park is now part of the National Park System.

In subsection (b), the words “The Secretary shall make payments only for the 5 fiscal years after the fiscal year in which the interest in land is acquired” are substituted for 31:1603(b)(1st sentence) and (d) to eliminate unnecessary words. The words “affected” and “for addition to either such systems” are omitted as surplus. The words “receiving a distribution” are added for clarity.

In subsection (c), the words “The amount of . . . made . . . fiscal . . . to any unit of local government and affected school districts” are omitted as surplus. The words “by the Secretary” are added for clarity. The words “made for any fiscal year to a unit of local government under subsection (a) of this section”, “assessed and”, “full”, and “for addition to the National Park System or National Forest Wilderness Areas” are omitted as surplus.

§ 6905. Redwood National Park and the Lake Tahoe Basin

(a) The Secretary of the Interior shall make a payment for each fiscal year to each unit of general local government in which an interest in land owned by the United States Government in the Redwood National Park is located. A unit may use the payment for any governmental purpose. The payment shall be made as provided in section 6903 of this title and shall include an amount payable under section 6903.

(b)(1) In addition to payments the Secretary makes under subsection (a) of this section, the Secretary shall make a payment for each fiscal year to each unit of general local government in which is located an interest in land—

(A) owned by the Government in the Redwood National Park; or

(B) acquired in the Lake Tahoe Basin under the Act of December 23, 1980 (Public Law 96-586, 94 Stat. 3383).

(2) The payment shall be made as provided in section 6904 of this title and shall include an amount payable under section 6904. However, an amount computed but not paid because of the first sentence of subsection (b) and the 2d sentence of subsection (c) of section 6904 shall be carried forward and applied to future years in which the payment would not otherwise equal the amount of real property taxes assessed and levied on the land during the last fiscal year before the fiscal year in which the interest was acquired until the amount is applied completely.

(3) The unit of general local government may use the payment for any governmental purpose.

(4) The Redwoods Community College District is a school district under section 6904(b) of this title.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1034.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
6905(a)	16:790(a), (b).	Mar. 27, 1978, Pub. L. 95-250, §106, 92 Stat. 171.
6905(b)(1)-(3).	(uncodified).	Dec. 23, 1980, Pub. L. 96-586, §2(i), 94 Stat. 3383.
6905(b)(4)	16:790(c). 16:790(d).	

In subsection (a), the words “Notwithstanding any contrary provision of sections 1601 to 1607 of title 31” are omitted as unnecessary because of the restatement. The word “general” is added for consistency in the revised title and with other titles of the United States Code. The words “an interest in” are added for consistency because of the source provisions restated in the revised section. The word “Government” is added for consistency in the revised title and with other titles of the Code. The text of 16:790(a)(last sentence) is omitted as unnecessary.

In subsection (b)(1)-(3), the source provisions are combined for clarity and because of the restatement.

In subsection (b)(2), the words “portion of the total”, “full”, and “land or” are omitted as surplus. The words

“for addition to Redwood National Park” are omitted as unnecessary because of the restatement.

In subsection (b)(4), the word “affected” is omitted as surplus.

REFERENCES IN TEXT

The provisions of Act of December 23, 1980 (Public Law 96-586, 94 Stat. 3383) which relate to the acquisition of the Lake Tahoe Basin, referred to in subsec. (b)(1)(B), are not classified to the Code.

§ 6906. Funding

For each of fiscal years 2008 through 2012—

(1) each county or other eligible unit of local government shall be entitled to payment under this chapter; and

(2) sums shall be made available to the Secretary of the Interior for obligation or expenditure in accordance with this chapter.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1035; Pub. L. 110-343, div. C, title VI, § 601(c)(1), Oct. 3, 2008, 122 Stat. 3911.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 1: 6906, 31:1607, Oct. 20, 1976, Pub. L. 94-565, § 7, 90 Stat. 2665.

The words “to the Secretary of the Interior” are added for clarity. The words “Provided, That, notwithstanding any other provision of this chapter” and “in advance” are omitted as unnecessary.

AMENDMENTS

2008—Pub. L. 110-343 amended section generally. Prior to amendment, section read as follows: “Necessary amounts may be appropriated to the Secretary of the Interior to carry out this chapter. Amounts are available only as provided in appropriation laws.”

§ 6907. State legislation requiring reallocation or redistribution of payments to smaller units of general purpose government

(a) Notwithstanding any other provision of this chapter, a State may enact legislation which requires that any payments which would be made to units of general local government pursuant to this chapter be reallocated and redistributed in whole or part to other smaller units of general purpose government which (1) are located within the boundaries of the larger unit of general local government, (2) provide general governmental services and (3) contain entitlement lands within their boundaries. Such reallocation or redistribution shall generally reflect the level of services provided by, and the number of entitlement acres within, the smaller unit of general local government.

(b) Upon enactment of legislation by a State, described in subsection (a), the Secretary shall make one payment to such State equaling the aggregate amount of payments which he otherwise would have made to units of general local government within such State pursuant to this chapter. It shall be the responsibility of such State to make any further distribution of the payment pursuant to subsection (a). Such redistribution shall be made within 30 days after receipt of such payment. No payment, or portion thereof, made by the Secretary shall be used by any State for the administration of this subsection or subsection (a).

(c) Appropriations made for payments in lieu of taxes for a fiscal year may be used to correct underpayments in the previous fiscal year to achieve equity among all qualified recipients.

(Added Pub. L. 98-63, title I, § 101(4), July 30, 1983, 97 Stat. 324; amended Pub. L. 103-272, § 4(f)(1)(U)(ii), July 5, 1994, 108 Stat. 1362.)

AMENDMENTS

1994—Pub. L. 103-272 inserted section catchline.

CHAPTER 71—JOINT FUNDING SIMPLIFICATION

Table with 2 columns: Sec., Description. Rows 7101-7112: Purposes, Definitions, Authority of the President and heads of executive agencies, Processing project requests to be financed by at least 2 assistance programs, Prescribing uniform technical and administrative provisions, Delegation of supervision of assistance, Joint management funds, Limitation on authority under sections 7105-7107, Appropriations available for joint financing, Use of joint financing provisions for Federal-State assisted projects, Report to Congress, Expiration date.

§ 7101. Purposes

The purposes of this chapter are to—

(1) enable States, local governments, and private nonprofit organizations to use assistance of the United States Government more effectively and efficiently;

(2) adapt the assistance more readily to particular needs through wider use of projects that are supported by more than one executive agency, assistance program, or appropriation of the United States Government; and

(3) encourage Federal-State arrangements under which local governments and private nonprofit organizations may more effectively and efficiently combine Federal and State resources to support projects of common interest to those local governments and those organizations.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1035.)

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 1: 7101, 42:4251, Dec. 5, 1974, Pub. L. 93-510, § 2, 88 Stat. 1604.

In the chapter, the words “executive agency” are substituted for “Federal agency” because of the definition in section 102 of the revised title. The words “assistance program” are substituted for “Federal assistance programs” because of the definition in section 7102 of the revised title.

In the section, the words “resources available from” and “It is the further purpose of this chapter” are omitted as unnecessary because of the restatement.

§ 7102. Definitions

In this chapter—

(1) “applicant” means a State, local government, or private nonprofit organization applying for assistance for one project.

(2) “assistance program” means a program of the United States Government providing assistance through a grant or contract but does not include revenue sharing, a loan, a loan guarantee, or insurance.

(3) “local government” means a county, city, political subdivision of a county or city, or other general purpose political subdivision of a State, a school district, a council of governments, or other instrumentality of a local government.

(4) “project” means an undertaking that includes components that contribute materially to carrying out one purpose or closely related purposes and are proposed or approved for assistance under—

(A) more than one United States Government program; or

(B) at least one Government program and at least one State program.

(5) “State” means a State of the United States, the District of Columbia, a territory or possession of the United States, an agency or instrumentality of a State, and a tribe as defined in section 3(c) of the Indian Financing Act of 1974 (25 U.S.C. 1452(c)).

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1035; Pub. L. 103-272, §4(f)(1)(V), July 5, 1994, 108 Stat. 1363.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7102(1)	42:4261(2), (4).	Dec. 5, 1974, Pub. L. 93-510, §12, 88 Stat. 1608.
7102(2)	42:4261(1).	
7102(3)	42:4261(6).	
7102(4)	42:4261(3).	
7102(5)	42:4261(5).	

In clause (1), the words “applying for” are substituted for “seeking” for clarity. The words “acting separately or together” are omitted as unnecessary. The text of 42:4261(4) is omitted as unnecessary because of section 102 of the revised title.

In clause (2), the words “of the United States Government” are added for clarity. The words “assistance in the form of” are omitted as unnecessary.

In clause (3), the words “a county, city, political subdivision of a county or city, or other general purpose political subdivision of a State” are substituted for “a local unit of government including a city, county, parish, town, township, village,” for consistency in the revised title and because of 1:2. The word “agency” is omitted because it is included in “instrumentality”.

In clause (4), the words “that contribute” are substituted for “if each of those components” to eliminate unnecessary words. The words “whether of a temporary or continuing nature” are omitted as unnecessary.

In clause (5), the words “any of the several” are omitted as unnecessary. The words “the Commonwealth of Puerto Rico” are omitted as being included in “territory or possession of the United States” and as unnecessary because of 48:734.

AMENDMENTS

1994—Par. (3). Pub. L. 103-272 substituted “political” for “political” after “other general purpose”.

§ 7103. Authority of the President and heads of executive agencies

(a) The President shall prescribe necessary regulations to carry out section 7101 of this title and to ensure that this chapter is applied by all executive agencies consistently. The regulations

may require executive agencies to adopt or prescribe procedures requiring applicants for assistance for a project to be jointly financed under this chapter to take steps to—

(1) get the views and recommendations of States and local governments that may be significantly affected by the project; and

(2) resolve questions of common interest to those States and local governments before making application.

(b) Subject to regulations prescribed under subsection (a) of this section and other law, the head of an executive agency may do the following by an order of the agency head or by agreement with another executive agency:

(1) identify related programs likely to be particularly suitable in providing joint financing for specific kinds of projects.

(2) to assist in planning and developing a project financed from different programs, develop and prescribe—

(A) guidelines;

(B) model or illustrative projects;

(C) joint or common application forms; and

(D) other materials or guidance.

(3) review administrative program requirements to identify requirements that may impede joint financing of a project and modify the requirements when appropriate.

(4) establish common technical or administrative regulations for related programs to assist in providing joint financing to support a specific project or class of projects.

(5) establish joint or common application processing and project supervision procedures, including procedures for designating—

(A) a lead agency responsible for processing applications; and

(B) a managing agency responsible for project supervision.

(c) The head of an executive agency shall—

(1) take maximum action to carry out section 7101 of this title in conducting an assistance program of the agency; and

(2) consult and cooperate with the heads of other executive agencies to carry out section 7101 of this title in conducting assistance programs of different executive agencies that may be used jointly to finance projects undertaken by States, local governments, or private nonprofit organizations.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1036.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7103(a)	42:4252(a).	Dec. 5, 1974, Pub. L. 93-510, §3, 88 Stat. 1604.
7103(b)	42:4252(b).	
7103(c)	42:4252(c).	

In subsection (a), before clause (1), the words “as may be necessary or appropriate” are omitted as unnecessary. The words “to carry out section 7101 of this title” are substituted for “in accordance with its purposes” as being more precise. The word “requiring” is substituted for “that will assure that” to eliminate unnecessary words. The words “to be jointly financed under this chapter” are substituted for “funded pursuant to the provisions of this chapter” for clarity and consist-

ency. In clause (1), the words "States and local governments" are substituted for "non-Federal agencies" for clarity and because of the definition in section 7102.

In subsection (b), before clause (1), the words "under subsection (a) of this section" are substituted for "as the President may prescribe" because of the restatement. The words "applicable" and "take the following actions" are omitted as unnecessary. In clauses (1), (3), and (4), the words "joint financing" are substituted for "joint support" and "joint use of funds" for consistency in the revised chapter. In clause (1), the words "or appropriate" and "thereunder" are omitted as unnecessary. In clause (3), the words "to identify" are substituted for "in order to determine", and the word "modify" is substituted for "the extent to which such requirements may be modified" and "making such modifications", to eliminate unnecessary words. In clause (5), the words "or mechanisms" and "for designation" are omitted as unnecessary.

In subsection (c), the words "take maximum action" are substituted for "be responsible for taking actions, to the maximum extent permitted under applicable law" to eliminate unnecessary words. The words "to carry out section 7101 of this title" are substituted for "that will further the purpose of this chapter" and "to promote the purposes of this chapter" as being more precise. The words "in conducting" are substituted for "with respect to" for clarity. The words "used jointly to finance" are substituted for "used jointly in support of" for consistency in the revised chapter. The words "Each Federal agency head shall also" and the words "in order similarly" are omitted as surplus.

EXECUTIVE ORDER NO. 11867

Ex. Ord. No. 11867, eff. June 19, 1975, 40 F.R. 26253, which delegated to Administrator of General Services authority to issue regulations, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

EX. ORD. NO. 11893. TRANSFERRING CERTAIN FUNCTIONS FROM GENERAL SERVICES ADMINISTRATION TO OFFICE OF MANAGEMENT AND BUDGET

Ex. Ord. No. 11893, eff. Dec. 31, 1975, 41 F.R. 1040, provided:

By virtue of the authority vested in me as President by the Constitution and Statutes of the United States, particularly by section 301 of title 3 of the United States Code, the Federal Property and Administrative Services Act of 1949, as amended, the Budget and Accounting Act, 1921, as amended, the Budget and Accounting Procedures Act of 1950, as amended, Reorganization Plan No. 2 of 1970 [set out in the Appendix to Title 5, Government Organization and Employees]; and section 5317 of title 5 of the United States Code, it is hereby ordered as follows:

SECTION 1. There are hereby transferred to the Director of the Office of Management and Budget all policy functions that were transferred to the Administrator of General Services by Section 1 (1) of Executive Order No. 11717, dated May 9, 1973 [set out as a note under section 501 of Title 31, Money and Finance], and Executive Order No. 11867, dated June 19, 1975 [formerly set out above].

SEC. 2. The Director of the Office of Management and Budget shall continue to perform policy formulation and general oversight functions with regard to the other transfers made by Executive Order No. 11717 and Executive Order No. 11867. No function vested by statute in the Administrator shall be deemed to be affected by the provisions of this order.

SEC. 3. So much of the personnel, property and records attendant to the functions transferred by this order as the Director of the Office of Management and Budget shall determine, shall be transferred to the Office of Management and Budget, at such times as the Director shall specify.

SEC. 4. Executive Order No. 11717 of May 9, 1973, and Executive Order No. 11867 of June 19, 1975, are hereby superseded to the extent that they are inconsistent

with this order. Any circulars, directives, or regulations issued pursuant to functions transferred by this order shall remain in effect until modified or rescinded by the Office of Management and Budget.

SEC. 5. Section 2 of Executive Order No. 11861 of May 21, 1975, as amended [formerly set out as a note under section 5317 of Title 5, Government Organization and Employees], placing certain positions in level V of the Executive Schedule, is further amended by deleting "(9) Associate Administrator for Federal Management Policy, General Services Administration."

SEC. 6. This order shall be effective as of December 31, 1975.

GERALD R. FORD.

§ 7104. Processing project requests to be financed by at least 2 assistance programs

In processing an application or request for assistance for a project to be financed by at least 2 assistance programs, the head of an executive agency shall take action that will ensure that—

- (1) required reviews and approvals are handled expeditiously;
- (2) complete account is taken of special considerations of timing that are made known by the applicant that would affect the feasibility of a jointly financed project;
- (3) an applicant is required to deal with a minimum number of representatives of the United States Government;
- (4) an applicant is promptly informed of a decision or special problem that could affect the feasibility of providing joint assistance under the application; and
- (5) an applicant is not required to get information or assurances from one executive agency for a requesting executive agency when the requesting agency may get the information or assurances directly.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1037.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7104	42:4253.	Dec. 5, 1974, Pub. L. 93-510, § 4, 88 Stat. 1605.

In the section, before clause (1), the words "for a project to be financed by at least 2 assistance programs" are substituted for "under two or more Federal programs in support of any project" for consistency in the revised chapter. The words "shall take action" are substituted for "Actions taken by Federal agency heads pursuant to this chapter that relate to", and the words "that will ensure" are substituted for "shall be designed to assure", to eliminate unnecessary words. The words "so far as reasonably possible" are omitted as surplus. In clause (4), the word "impediments" is omitted as surplus. The word "providing" is substituted for "Federal provision of", and the words "joint assistance under the application" are substituted for "on a joint basis", to eliminate unnecessary words. Clause (5) is substituted for 42:4253(5) because of the restatement.

§ 7105. Prescribing uniform technical and administrative provisions

(a) To make participation in a project easier than would be possible because of varying or conflicting technical or administrative regulations and procedures not required by law, the head of an executive agency may prescribe uniform provisions about inconsistent or conflicting requirements on—

(1) financial administration of the project (including accounting, reporting and auditing, and maintaining a separate bank account), to the extent consistent with section 7108 of this title;

(2) the timing of payments by the United States Government for the project when one schedule or a combined schedule is to be established for the project;

(3) providing assistance by grant rather than procurement contract or by procurement contract rather than by grant; and

(4) accountability for, or the disposition of, records, property, or structures acquired or constructed with assistance from the Government when common regulations are established for the project.

(b) To make easier the processing of applications for assistance, the head of an executive agency may provide for review of proposals for a project by one panel, board, or committee where reviews by separate panels, boards, or committees are not specifically required by law.

(c) Notwithstanding a requirement that one public agency or a specific public agency be established or designated to carry out or supervise that part of the assistance from the Government under an assistance program for a jointly financed project, the head of the executive agency carrying out the program may waive the requirement when—

(1) administration by another public agency is consistent with State or local law and the objectives of the assistance program; and

(2)(A) the waiver is requested by the head of a unit of general government certifying jurisdiction over the public agencies concerned; or

(B) the State or local public agencies concerned agree to the waiver.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1037.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
7105(a)	42:4255(a).	Dec. 5, 1974, Pub. L. 93-510, §6, 88 Stat. 1606.
7105(b)	42:4255(b).	
7105(c)	42:4255(c).	

In subsection (a), before clause (1), the words “To make participation in a project easier than would be possible” are substituted for “In order to provide for projects” for clarity. The words “because of” are substituted for “that would otherwise be subject to” to eliminate unnecessary words. The word “prescribe” is substituted for “adopt”, and the word “about” is substituted for “with respect to”, for consistency in the revised title. In clause (2), the words “payments by the United States Government” are substituted for “Federal payments” for consistency in the revised title. In clause (3), the words “providing assistance by” are substituted for “that assistance be extended in the form of” to eliminate unnecessary words. The word “procurement” is added for consistency with chapter 63 of the revised title. In clause (4), the words “assistance from the Government” are substituted for “Federal assistance” for consistency.

In subsection (b), the words “To make easier” are substituted for “In order to permit”, and the words “applications for assistance” are substituted for “applications in accordance with the purposes of this chapter”, for clarity. The words “where . . . are not” are substituted for “except when such review is” because of the restatement.

Subsection (c) is substituted for 42:4255(c) for consistency in subtitle V of the revised title.

§ 7106. Delegation of supervision of assistance

With the approval of the President, the head of an executive agency may delegate or otherwise arrange to have another executive agency carry out or supervise a project or class of projects jointly financed under this chapter. A delegation—

(1) shall be made under conditions ensuring that duties and powers delegated are exercised consistent with law; and

(2) may not relieve the head of an executive agency of responsibility for the proper and efficient management of a project for which the agency provides assistance.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1038.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
7106	42:4256.	Dec. 5, 1974, Pub. L. 93-510, §7, 88 Stat. 1606.

In the section, before clause (1), the words “to have another executive agency carry out or supervise” are substituted for “to other Federal agencies powers and functions relating to the supervision or administration” to eliminate unnecessary words. In clause (1), the words “under conditions ensuring” are substituted for “only on such conditions as may be appropriate to assure”, the word “consistent” is substituted for “in full conformity”, and the word “law” is substituted for “applicable statutory provisions and policies”, to eliminate unnecessary words. In clause (2), the words “for which the agency provides assistance” are substituted for “funded by their agencies”, for clarity because the source provisions do not provide for funding. The words “of Federal assistance”, “for other agencies to perform”, “such activities with respect to”, and “under this section” are omitted as unnecessary.

§ 7107. Joint management funds

(a) In supporting a project, a joint management fund may be established to administer more effectively amounts received from more than one assistance program or appropriation. A proportional share of the amount required to pay a grantee shall be transferred periodically to the fund from each program or appropriation. When a project is completed, the grantee shall return to the fund an amount not expended.

(b) An account in a joint management fund is subject to an agreement made by the heads of the executive agencies providing assistance for the project about the responsibilities of each agency. An agreement shall—

(1) ensure the availability of necessary information to the executive agencies and Congress;

(2) provide that the agency administering a fund is responsible and accountable by program and appropriation for the amounts provided for the purposes of each account in the fund; and

(3) include procedures for returning, subject to fiscal year limitations, an excess amount to participating executive agencies under the applicable appropriation. An excess amount of an expired appropriation lapses from the fund.

(c) For each project financed through an account in a joint management fund, a recipient of

an amount from the fund shall keep records prescribed by the head of the executive agency responsible for administering the fund. The records shall include—

- (1) the amount and disposition by the recipient of assistance received under each program and appropriation;
- (2) the total cost of the project for which assistance was given or used;
- (3) that part of the cost of the project provided from other sources; and
- (4) other records that will make it easier to carry out an audit.

(d) Records of a recipient related to an amount received from a joint management fund shall be made available to the head of the executive agency responsible for administering the fund and the Comptroller General for inspection and audit.

(e) For a project subject to a joint management fund, one non-Government share may be established conforming to—

- (1) the proportional shares applicable to the assistance programs involved; and
- (2) the proportional shares of an amount transferred to the project account from each of the programs.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1038.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7107(a)	42:4257(a).	Dec. 5, 1974, Pub. L. 93-510, § 8, 88 Stat. 1606.
7107(b)	42:4257(b).	
7107(c)	42:4257(c).	
7107(d)	42:4257(d).	
7107(e)	42:4257(e).	

In subsection (a), the words “to administer more effectively” are substituted for “In order to provide the more effective administration” to eliminate unnecessary words. The words “amounts received” are substituted for “funds drawn” for consistency. The words “A proportional share of the amount required to pay a grantee” are substituted for “proportionate share of amounts needed for payment to the grantee” because of the restatement. The words “with respect to such projects”, “affected”, and “from time to time” are omitted as unnecessary.

In subsection (b), before clause (1), the words “made by the heads of executive agencies” are substituted for “as may be entered into by the Federal agencies concerned” to eliminate unnecessary words. The words “providing assistance for the project about the responsibilities of each agency” are substituted for “with respect to the discharge of the responsibilities of those agencies” for clarity. In clause (2), the word “established” is omitted as unnecessary. In clause (3), the words “for determining”, “whether amounts in the account are in excess of the amounts required”, and “applicable to” are omitted as unnecessary. The words “excess amount” are substituted for “that excess” for clarity.

In subsection (c), before clause (1), the words “established pursuant to this section” are omitted as unnecessary. The words “amount from” are substituted for “moneys drawn from” for consistency. The word “include” is substituted for “as a minimum, fully disclose” to eliminate unnecessary words. In clause (4), the words “to carry out” are added for clarity. The word “effective” is omitted as unnecessary.

In subsection (d), the word “Records” is substituted for “books, documents, papers, and records”, and the words “shall be made available . . . for inspection and audit” are substituted for “shall have access for the

purpose of audit and examination to”, to eliminate unnecessary words and for consistency in the revised title and with other titles of the United States Code. The word “related” is substituted for “that are pertinent”, and the words “an amount” are substituted for the word “money”, for consistency. The words “of the United States”, and “or any of their duly authorized representatives” are omitted as unnecessary.

In subsection (e), the word “For” is substituted for “in the case of” to eliminate unnecessary words. The words “proportional shares” are substituted for “federal share ratios” for clarity.

§ 7108. Limitation on authority under sections 7105-7107

Under regulations prescribed by the President, the head of an executive agency may act under sections 7105-7107 of this title for a project assisted under at least 2 assistance programs. The regulations shall ensure that the head of an executive agency acts under those sections only—

- (1) when a problem cannot be adequately solved through other action under this chapter or other law;
- (2) when necessary to promote expeditious processing of applications or effective and efficient administration of the project; and
- (3) in a way consistent with protecting the interest of the United States Government and with the program purposes and requirements of law.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1039.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7108	42:4254.	Dec. 5, 1974, Pub. L. 93-510, § 5, 88 Stat. 1605.

In the section, the words “act under” are substituted for “use the authorities described in”, and the words “when necessary” are substituted for “that they are applied only as necessary”, to eliminate unnecessary words. The words “head of an executive agency acts under those sections only” are substituted for “the authorities are limited in use to” for clarity. The words “These authorities shall be exercised only”, “Where appropriate to further the purposes of this chapter, and subject to the conditions prescribed in this section”, “(relating to the establishment of uniform technical or administrative requirements, delegation of powers and responsibilities, and establishment of joint management funds)”, “include criteria or procedures to”, and “that they are applied”, are omitted as unnecessary because of the restatement.

§ 7109. Appropriations available for joint financing

An appropriation available for technical assistance or personnel training under an assistance program is available for technical assistance and training for a project proposed or approved for joint financing involving the program and another assistance program.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1039.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7109	42:4258.	Dec. 5, 1974, Pub. L. 93-510, § 9, 88 Stat. 1607.

In this section, the words “the provision of” are omitted as surplus and the word “for” is substituted for “in connection with” for consistency.

§ 7110. Use of joint financing provisions for Federal-State assisted projects

Under regulations prescribed by the President, the head of an executive agency may make an agreement with a State to extend the benefits of this chapter to a project involving assistance from at least one executive agency and at least one State agency. The agreement may include arrangements to process requests or administer assistance on a joint basis.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1039.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7110	42:4259.	Dec. 5, 1974, Pub. L. 93-510, §10, 88 Stat. 1607.

In this section, the words “as appropriate” are omitted as surplus. The words “to process requests or administer assistance” are substituted for “for the processing of requests for, or the administration of, assistance to such projects” to eliminate unnecessary words.

§ 7111. Report to Congress

By February 3, 1984, the President shall submit to Congress a report on actions taken under this chapter and make recommendations for its continuation, amendment, or termination. The report shall include a detailed evaluation of the operation of the chapter, including information on the benefits and costs of jointly financed projects that accrue to participating States, local governments, private nonprofit organizations, and the United States Government.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1039.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7111	42:4260.	Dec. 5, 1974, Pub. L. 93-510, §11, 88 Stat. 1608.

The words “By February 3, 1984” are substituted for “at least one year prior to the expiration of this chapter” for clarity and to reflect the 5-year extension granted the joint funding simplification program by the Act of December 16, 1980 (Pub. L. 96-534, 94 Stat. 3164). The word “comprehensive” is omitted as unnecessary. The word “amendment” is substituted for “modification” for clarity. The word “include” is substituted for “provide”, and the word “operation” is substituted for “functioning”, for consistency in the chapter.

§ 7112. Expiration date

This chapter expires on February 3, 1985.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1039.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7112	42:4251(note).	Dec. 5, 1974, Pub. L. 93-510, §13, 88 Stat. 1608; Dec. 16, 1980, Pub. L. 96-534, 94 Stat. 3164.

CHAPTER 73—ADMINISTERING BLOCK GRANTS

- Sec. 7301. Purpose.
- 7302. Definitions.

- Sec. 7303. Reports and public hearings on proposed uses of amounts.
- 7304. Availability of records.
- 7305. State auditing requirements.

§ 7301. Purpose

It is the purpose of this chapter to ensure that—

- (1) block grant amounts are allocated for programs of special importance to meet the needs of local governments, residents of local governments, and other eligible entities; and
- (2) all eligible local governments, residents of local governments, and other eligible entities are treated fairly in distributing block grant amounts.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1039.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7301	31:1243(note).	Aug. 13, 1981, Pub. L. 97-35, §1741(a), 95 Stat. 762.

In the chapter, the words “chief executive officer” are added for consistency in the revised title and with other titles of the United States Code.

In the section, before clause (1), the words “It is the purpose of this chapter” are added for clarity and consistency in the revised title and with other titles of the Code. The words “each State which receives block grant funds under this Act shall comply with the requirements of this chapter, to the extent that such funds may be used at the discretion of the State, as described in subsection (b)(1)(B)” are omitted as surplus and because of the restatement of the source provisions in section 7302 of the revised title. In clause (2), the words “urban and rural” are omitted as surplus.

§ 7302. Definitions

In this chapter—

(1) “block grant amounts” means amounts received for a program that—

(A) directly allocates amounts to States only, except for amounts allocated for use by the agency administering the program; and

(B) provides that the State may use any part of the amounts at its discretion to continue to support activities financed on August 12, 1981, under programs whose authorizations were discontinued by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, 95 Stat. 357) and that were financed on August 12, 1981, by allocations by the United States Government to local governments or other eligible entities, or both local governments and other eligible entities.

(2) “State” includes the District of Columbia and territories and possessions of the United States.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1040.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
7302	31:1243(note).	Aug. 13, 1981, Pub. L. 97-35, §1741(b), 95 Stat. 763.

In clause (1)(A), the word “Federal” is omitted as surplus because of section 101 of the revised title.

REFERENCES IN TEXT

The Omnibus Budget Reconciliation Act of 1981, referred to in par. (1)(B), is Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357, as amended. For complete classification of this Act to the Code, see Tables.

§ 7303. Reports and public hearings on proposed uses of amounts

(a)(1) The chief executive officer of each State shall prepare for each fiscal year a report on the proposed use during the fiscal year of block grant amounts received by the State. The report shall include—

- (A) a statement of goals and objectives;
- (B) information on the types of activities to be supported, geographic areas to be served, and categories or characteristics of individuals to be served; and
- (C) the criteria for, and way of, distributing the amounts, including details on the way amounts will be distributed on the basis of need to carry out the purposes of the block grant amounts.

(2) Beginning with the fiscal year ending September 30, 1983, each report shall describe how the State met the goals, objectives, and needs in using the amounts described in the report for the prior fiscal year.

(b) A State may not receive block grant amounts for a fiscal year until the State conducts a public hearing, after adequate public notice, on the proposed use and distribution of the amounts set out in the report prepared under subsection (a) of this section for the fiscal year.

(c) Each report prepared under subsection (a) of this section and changes to the report shall be made public in the State on a timely basis and in a way that encourages comments from interested local government and persons.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1040.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
7303	31:1243(note).	Aug. 13, 1981, Pub. L. 97-35, §1742, 95 Stat. 763.

In subsection (a)(1), before clause (A), the words “for each fiscal year” and “during the fiscal year” are substituted for “for the previous fiscal year” for clarity.

In subsection (b), the words “by the State” are omitted as surplus.

In subsection (c), the words “by a State” are omitted as surplus.

§ 7304. Availability of records

To evaluate and review the use of block grant amounts, consolidated assistance, and other grant programs established or provided for in the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, 95 Stat. 357), records related to the amounts, assistance, or programs that are in the possession, custody, or control of a State, a political subdivision of a State, or a grantee of a State or political subdivision of a State shall be made available to the Comptroller General.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1040.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
7304	31:1243(note).	Aug. 13, 1981, Pub. L. 97-35, §1744, 95 Stat. 764.

The words “records . . . shall be made available to” are substituted for “shall have access to any books, accounts, records, correspondence, or other documents” for consistency in the revised title and with other titles of the United States Code.

REFERENCES IN TEXT

The Omnibus Budget Reconciliation Act of 1981, referred to in text, is Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357, as amended. For complete classification of this Act to the Code, see Tables.

§ 7305. State auditing requirements

(a) The chief executive officer of each State shall conduct financial and compliance audits of block grant amounts received under the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, 95 Stat. 357) and amounts received under a consolidated assistance program established or provided for in the Act. An audit shall be conducted for the 2-year period beginning on October 1, 1981, and for each 2-year period thereafter. As far as practicable, the audit shall be conducted consistent with standards the Comptroller General prescribes for the audit of governmental entities, programs, activities, and functions.

(b) An audit under subsection (a) of this section is in place of other financial and compliance audits of those amounts that the chief executive officer of the State is required to conduct under another provision of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35, 95 Stat. 357) unless the other provision, by explicit reference to this section, provides otherwise.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 1041.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
7305	31:1243(note).	Aug. 13, 1981, Pub. L. 97-35, §1745, 95 Stat. 764.

In subsection (a), the word “prescribes” is substituted for “established”, and the word “entities” is substituted for “organizations”, for consistency in the revised title and with other titles of the United States Code.

In subsection (b), the words “of funds” and “conducted” are omitted as surplus.

REFERENCES IN TEXT

The Omnibus Budget Reconciliation Act of 1981, referred to in text, is Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357, as amended. For complete classification of this Act to the Code, see Tables.

CHAPTER 75—REQUIREMENTS FOR SINGLE AUDITS

- Sec. 7501. Definitions.
- 7502. Audit requirements; exemptions.
- 7503. Relation to other audit requirements.
- 7504. Federal agency responsibilities and relations with non-Federal entities.
- 7505. Regulations.

Sec.	
7506.	Monitoring responsibilities of the Comptroller General.
7507.	Effective date.

AMENDMENTS

1996—Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1396, amended chapter analysis generally, substituting in item 7504 “Federal agency responsibilities and relations with non-Federal entities” for “Cognizant agency responsibilities” and in item 7507 “Effective date” for “Effective date; report”.

§ 7501. Definitions

(a) As used in this chapter, the term—

(1) “Comptroller General” means the Comptroller General of the United States;

(2) “Director” means the Director of the Office of Management and Budget;

(3) “Federal agency” has the same meaning as the term “agency” in section 551(1) of title 5;

(4) “Federal awards” means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities;

(5) “Federal financial assistance” means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, or other assistance, but does not include amounts received as reimbursement for services rendered to individuals in accordance with guidance issued by the Director;

(6) “Federal program” means all Federal awards to a non-Federal entity assigned a single number in the Catalog of Federal Domestic Assistance or encompassed in a group of numbers or other category as defined by the Director;

(7) “generally accepted government auditing standards” means the government auditing standards issued by the Comptroller General;

(8) “independent auditor” means—

(A) an external State or local government auditor who meets the independence standards included in generally accepted government auditing standards; or

(B) a public accountant who meets such independence standards;

(9) “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native village or regional or village corporation (as defined in, or established under, the Alaskan Native Claims Settlement Act) that is recognized by the United States as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(10) “internal controls” means a process, effected by an entity’s management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

(A) Effectiveness and efficiency of operations.¹

(B) Reliability of financial reporting.¹

(C) Compliance with applicable laws and regulations;

(11) “local government” means any unit of local government within a State, including a county, borough, municipality, city, town, township, parish, local public authority, special district, school district, intrastate district, council of governments, any other instrumentality of local government and, in accordance with guidelines issued by the Director, a group of local governments;

(12) “major program” means a Federal program identified in accordance with risk-based criteria prescribed by the Director under this chapter, subject to the limitations described under subsection (b);

(13) “non-Federal entity” means a State, local government, or nonprofit organization;

(14) “nonprofit organization” means any corporation, trust, association, cooperative, or other organization that—

(A) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;

(B) is not organized primarily for profit; and

(C) uses net proceeds to maintain, improve, or expand the operations of the organization;

(15) “pass-through entity” means a non-Federal entity that provides Federal awards to a subrecipient to carry out a Federal program;

(16) “program-specific audit” means an audit of one Federal program;

(17) “recipient” means a non-Federal entity that receives awards directly from a Federal agency to carry out a Federal program;

(18) “single audit” means an audit, as described under section 7502(d), of a non-Federal entity that includes the entity’s financial statements and Federal awards;

(19) “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, any instrumentality thereof, any multi-State, regional, or interstate entity which has governmental functions, and any Indian tribe; and

(20) “subrecipient” means a non-Federal entity that receives Federal awards through another non-Federal entity to carry out a Federal program, but does not include an individual who receives financial assistance through such awards.

(b) In prescribing risk-based program selection criteria for major programs, the Director shall not require more programs to be identified as major for a particular non-Federal entity, except as prescribed under subsection (c) or as provided under subsection (d), than would be identified if the major programs were defined as any program for which total expenditures of Federal awards by the non-Federal entity during the applicable year exceed—

(1) the larger of \$30,000,000 or 0.15 percent of the non-Federal entity’s total Federal expenditures, in the case of a non-Federal entity for

¹ So in original.

which such total expenditures for all programs exceed \$10,000,000,000;

(2) the larger of \$3,000,000, or 0.30 percent of the non-Federal entity's total Federal expenditures, in the case of a non-Federal entity for which such total expenditures for all programs exceed \$100,000,000 but are less than or equal to \$10,000,000,000; or

(3) the larger of \$300,000, or 3 percent of such total Federal expenditures for all programs, in the case of a non-Federal entity for which such total expenditures for all programs equal or exceed \$300,000 but are less than or equal to \$100,000,000.

(c) When the total expenditures of a non-Federal entity's major programs are less than 50 percent of the non-Federal entity's total expenditures of all Federal awards (or such lower percentage as specified by the Director), the auditor shall select and test additional programs as major programs as necessary to achieve audit coverage of at least 50 percent of Federal expenditures by the non-Federal entity (or such lower percentage as specified by the Director), in accordance with guidance issued by the Director.

(d) Loan or loan guarantee programs, as specified by the Director, shall not be subject to the application of subsection (b).

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2327; amended Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1396.)

REFERENCES IN TEXT

The Alaskan Native Claims Settlement Act, referred to in subsec. (a)(9), probably means the Alaska Native Claims Settlement Act, Pub. L. 92-203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

AMENDMENTS

1996—Pub. L. 104-156 reenacted section catchline without change and amended text generally, substituting present provisions for similar provisions defining terms used in this chapter.

SHORT TITLE OF 1996 AMENDMENT

Section 1(a) of Pub. L. 104-156 provided that: "This Act [amending this chapter and enacting provisions set out as notes below] may be cited as the 'Single Audit Act Amendments of 1996'."

SHORT TITLE OF 1984 AMENDMENT

Pub. L. 98-502, §1(a), Oct. 19, 1984, 98 Stat. 2327, provided that: "This Act [enacting this chapter and provisions set out as notes under this section] may be cited as the 'Single Audit Act of 1984'."

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

TRANSITIONAL APPLICATION

Section 3 of Pub. L. 104-156 provided that: "Subject to section 7507 of title 31, United States Code (as amended by section 2 of this Act) the provisions of chapter 75 of such title (before amendment by section 2 of this Act) shall continue to apply to any State or local govern-

ment with respect to any of its fiscal years beginning before July 1, 1996."

CONGRESSIONAL STATEMENT OF PURPOSE

Section 1(b) of Pub. L. 104-156 provided that: "The purposes of this Act [see Short Title of 1996 Amendment note above] are to—

"(1) promote sound financial management, including effective internal controls, with respect to Federal awards administered by non-Federal entities;

"(2) establish uniform requirements for audits of Federal awards administered by non-Federal entities;

"(3) promote the efficient and effective use of audit resources;

"(4) reduce burdens on State and local governments, Indian tribes, and nonprofit organizations; and

"(5) ensure that Federal departments and agencies, to the maximum extent practicable, rely upon and use audit work done pursuant to chapter 75 of title 31, United States Code (as amended by this Act)."

Pub. L. 98-502, §1(b), Oct. 19, 1984, 98 Stat. 2327, provided that: "It is the purpose of this Act [enacting this chapter and provisions set out as notes under this section]—

"(1) to improve the financial management of State and local governments with respect to Federal financial assistance programs;

"(2) to establish uniform requirements for audits of Federal financial assistance provided to State and local governments;

"(3) to promote the efficient and effective use of audit resources; and

"(4) to ensure that Federal departments and agencies, to the maximum extent practicable, rely upon and use audit work done pursuant to chapter 75 of title 31, United States Code (as added by this Act)."

TENNESSEE VALLEY AUTHORITY AUDITS UNAFFECTED BY SINGLE AUDIT REQUIREMENTS

Pub. L. 98-502, §2(b), Oct. 19, 1984, 98 Stat. 2334, provided that: "The provisions of this Act [enacting this chapter and provisions set out as notes under this section] shall not diminish or otherwise affect the authority of the Tennessee Valley Authority to conduct its own audits of any matter involving funds disbursed by the Tennessee Valley Authority."

§ 7502. Audit requirements; exemptions

(a)(1)(A) Each non-Federal entity that expends a total amount of Federal awards equal to or in excess of \$300,000 or such other amount specified by the Director under subsection (a)(3) in any fiscal year of such non-Federal entity shall have either a single audit or a program-specific audit made for such fiscal year in accordance with the requirements of this chapter.

(B) Each such non-Federal entity that expends Federal awards under more than one Federal program shall undergo a single audit in accordance with the requirements of subsections (b) through (i) of this section and guidance issued by the Director under section 7505.

(C) Each such non-Federal entity that expends awards under only one Federal program and is not subject to laws, regulations, or Federal award agreements that require a financial statement audit of the non-Federal entity, may elect to have a program-specific audit conducted in accordance with applicable provisions of this section and guidance issued by the Director under section 7505.

(2)(A) Each non-Federal entity that expends a total amount of Federal awards of less than \$300,000 or such other amount specified by the

Director under subsection (a)(3) in any fiscal year of such entity, shall be exempt for such fiscal year from compliance with—

- (i) the audit requirements of this chapter; and
- (ii) any applicable requirements concerning financial audits contained in Federal statutes and regulations governing programs under which such Federal awards are provided to that non-Federal entity.

(B) The provisions of subparagraph (A)(ii) of this paragraph shall not exempt a non-Federal entity from compliance with any provision of a Federal statute or regulation that requires such non-Federal entity to maintain records concerning Federal awards provided to such non-Federal entity or that permits a Federal agency, pass-through entity, or the Comptroller General access to such records.

(3) Every 2 years, the Director shall review the amount for requiring audits prescribed under paragraph (1)(A) and may adjust such dollar amount consistent with the purposes of this chapter, provided the Director does not make such adjustments below \$300,000.

(b)(1) Except as provided in paragraphs (2) and (3), audits conducted pursuant to this chapter shall be conducted annually.

(2) A State or local government that is required by constitution or statute, in effect on January 1, 1987, to undergo its audits less frequently than annually, is permitted to undergo its audits pursuant to this chapter biennially. Audits conducted biennially under the provisions of this paragraph shall cover both years within the biennial period.

(3) Any nonprofit organization that had biennial audits for all biennial periods ending between July 1, 1992, and January 1, 1995, is permitted to undergo its audits pursuant to this chapter biennially. Audits conducted biennially under the provisions of this paragraph shall cover both years within the biennial period.

(c) Each audit conducted pursuant to subsection (a) shall be conducted by an independent auditor in accordance with generally accepted government auditing standards, except that, for the purposes of this chapter, performance audits shall not be required except as authorized by the Director.

(d) Each single audit conducted pursuant to subsection (a) for any fiscal year shall—

- (1) cover the operations of the entire non-Federal entity; or
- (2) at the option of such non-Federal entity such audit shall include a series of audits that cover departments, agencies, and other organizational units which expended or otherwise administered Federal awards during such fiscal year provided that each such audit shall encompass the financial statements and schedule of expenditures of Federal awards for each such department, agency, and organizational unit, which shall be considered to be a non-Federal entity.

(e) The auditor shall—

- (1) determine whether the financial statements are presented fairly in all material respects in conformity with generally accepted accounting principles;

(2) determine whether the schedule of expenditures of Federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole;

(3) with respect to internal controls pertaining to the compliance requirements for each major program—

- (A) obtain an understanding of such internal controls;
- (B) assess control risk; and
- (C) perform tests of controls unless the controls are deemed to be ineffective; and

(4) determine whether the non-Federal entity has complied with the provisions of laws, regulations, and contracts or grants pertaining to Federal awards that have a direct and material effect on each major program.

(f)(1) Each Federal agency which provides Federal awards to a recipient shall—

(A) provide such recipient the program names (and any identifying numbers) from which such awards are derived, and the Federal requirements which govern the use of such awards and the requirements of this chapter; and

(B) review the audit of a recipient as necessary to determine whether prompt and appropriate corrective action has been taken with respect to audit findings, as defined by the Director, pertaining to Federal awards provided to the recipient by the Federal agency.

(2) Each pass-through entity shall—

(A) provide such subrecipient the program names (and any identifying numbers) from which such assistance is derived, and the Federal requirements which govern the use of such awards and the requirements of this chapter;

(B) monitor the subrecipient's use of Federal awards through site visits, limited scope audits, or other means;

(C) review the audit of a subrecipient as necessary to determine whether prompt and appropriate corrective action has been taken with respect to audit findings, as defined by the Director, pertaining to Federal awards provided to the subrecipient by the pass-through entity; and

(D) require each of its subrecipients of Federal awards to permit, as a condition of receiving Federal awards, the independent auditor of the pass-through entity to have such access to the subrecipient's records and financial statements as may be necessary for the pass-through entity to comply with this chapter.

(g)(1) The auditor shall report on the results of any audit conducted pursuant to this section, in accordance with guidance issued by the Director.

(2) When reporting on any single audit, the auditor shall include a summary of the auditor's results regarding the non-Federal entity's financial statements, internal controls, and compliance with laws and regulations.

(h) The non-Federal entity shall transmit the reporting package, which shall include the non-Federal entity's financial statements, schedule of expenditures of Federal awards, corrective ac-

tion plan defined under subsection (i), and auditor's reports developed pursuant to this section, to a Federal clearinghouse designated by the Director, and make it available for public inspection within the earlier of—

(1) 30 days after receipt of the auditor's report; or

(2)(A) for a transition period of at least 2 years after the effective date of the Single Audit Act Amendments of 1996, as established by the Director, 13 months after the end of the period audited; or

(B) for fiscal years beginning after the period specified in subparagraph (A), 9 months after the end of the period audited, or within a longer timeframe authorized by the Federal agency, determined under criteria issued under section 7504, when the 9-month timeframe would place an undue burden on the non-Federal entity.

(i) If an audit conducted pursuant to this section discloses any audit findings, as defined by the Director, including material noncompliance with individual compliance requirements for a major program by, or reportable conditions in the internal controls of, the non-Federal entity with respect to the matters described in subsection (e), the non-Federal entity shall submit to Federal officials designated by the Director, a plan for corrective action to eliminate such audit findings or reportable conditions or a statement describing the reasons that corrective action is not necessary. Such plan shall be consistent with the audit resolution standard promulgated by the Comptroller General (as part of the standards for internal controls in the Federal Government) pursuant to section 3512(c).

(j) The Director may authorize pilot projects to test alternative methods of achieving the purposes of this chapter. Such pilot projects may begin only after consultation with the Chair and Ranking Minority Member of the Committee on Governmental Affairs of the Senate and the Chair and Ranking Minority Member of the Committee on Government Reform and Oversight of the House of Representatives.

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2329; amended Pub. L. 103-272, §4(f)(1)(W), July 5, 1994, 108 Stat. 1363; Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1399.)

REFERENCES IN TEXT

The effective date of the Single Audit Act Amendments of 1996, referred to in subsec. (h)(2)(A), is the effective date of Pub. L. 104-156, which is classified generally to this chapter. See section 7507 of this title.

AMENDMENTS

1996—Pub. L. 104-156 reenacted section catchline without change and amended text generally, substituting present provisions for similar provisions relating to audit requirements and exemptions from such requirements for State and local governments receiving Federal financial assistance of \$100,000 or more in any fiscal year and requiring audits to be conducted annually in most instances, to cover entirety of government operations, for reports to be made on audits in specified time period, and for appropriate corrective action plans to be submitted to Federal officials for any material State or local noncompliance with Federal laws and regulations.

1994—Subsec. (b)(2). Pub. L. 103-272, §4(f)(1)(W), substituted "October 19, 1984" for "the date of enactment

of this chapter" in subpar. (A) and for "such date" in subpar. (B).

Subsec. (d)(5), (6). Pub. L. 103-272, §4(f)(1)(W)(iii), redesignated par. (6) as (5) and struck out former par. (5) which read as follows: "Each State or local government which, in any fiscal year of such government, receives directly from the Department of the Treasury a total of \$25,000 or more under chapter 67 of this title (relating to general revenue sharing) and which is required to conduct an audit pursuant to this chapter for such fiscal year shall not have the option provided by paragraph (1)(A) for such fiscal year."

Subsec. (g). Pub. L. 103-272, §4(f)(1)(W)(iv), substituted "section 3512(c)" for "section 3512(b)".

CHANGE OF NAME

Committee on Governmental Affairs of Senate changed to Committee on Homeland Security and Governmental Affairs of Senate, effective Jan. 4, 2005, by Senate Resolution No. 445, One Hundred Eighth Congress, Oct. 9, 2004.

Committee on Government Reform and Oversight of House of Representatives changed to Committee on Government Reform of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999. Committee on Government Reform of House of Representatives changed to Committee on Oversight and Government Reform of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

§ 7503. Relation to other audit requirements

(a) An audit conducted in accordance with this chapter shall be in lieu of any financial audit of Federal awards which a non-Federal entity is required to undergo under any other Federal law or regulation. To the extent that such audit provides a Federal agency with the information it requires to carry out its responsibilities under Federal law or regulation, a Federal agency shall rely upon and use that information.

(b) Notwithstanding subsection (a), a Federal agency may conduct or arrange for additional audits which are necessary to carry out its responsibilities under Federal law or regulation. The provisions of this chapter do not authorize any non-Federal entity (or subrecipient thereof) to constrain, in any manner, such agency from carrying out or arranging for such additional audits, except that the Federal agency shall plan such audits to not be duplicative of other audits of Federal awards.

(c) The provisions of this chapter do not limit the authority of Federal agencies to conduct, or arrange for the conduct of, audits and evaluations of Federal awards, nor limit the authority of any Federal agency Inspector General or other Federal official.

(d) Subsection (a) shall apply to a non-Federal entity which undergoes an audit in accordance with this chapter even though it is not required by section 7502(a) to have such an audit.

(e) A Federal agency that provides Federal awards and conducts or arranges for audits of non-Federal entities receiving such awards that are in addition to the audits of non-Federal entities conducted pursuant to this chapter shall, consistent with other applicable law, arrange for funding the full cost of such additional audits. Any such additional audits shall be coordinated with the Federal agency determined under criteria issued under section 7504 to preclude duplication of the audits conducted pursuant to this chapter or other additional audits.

(f) Upon request by a Federal agency or the Comptroller General, any independent auditor conducting an audit pursuant to this chapter shall make the auditor's working papers available to the Federal agency or the Comptroller General as part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this chapter. Such access to auditor's working papers shall include the right to obtain copies.

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2332; amended Pub. L. 103-272, §4(f)(1)(X), July 5, 1994, 108 Stat. 1363; Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1401.)

AMENDMENTS

1996—Pub. L. 104-156 reenacted section catchline without change and amended text generally, substituting present provisions for similar provisions relating to other audit requirements, including compliance and evaluation audits of individual Federal assistance programs, audits by State and local governmental entities, and provisions requiring Federal agencies to arrange for funding cost of conducting audits that are in addition to audits required by this chapter.

1994—Subsec. (a). Pub. L. 103-272 substituted "extent" for "extend" in second sentence.

§ 7504. Federal agency responsibilities and relations with non-Federal entities

(a) Each Federal agency shall, in accordance with guidance issued by the Director under section 7505, with regard to Federal awards provided by the agency—

(1) monitor non-Federal entity use of Federal awards, and

(2) assess the quality of audits conducted under this chapter for audits of entities for which the agency is the single Federal agency determined under subsection (b).

(b) Each non-Federal entity shall have a single Federal agency, determined in accordance with criteria established by the Director, to provide the non-Federal entity with technical assistance and assist with implementation of this chapter.

(c) The Director shall designate a Federal clearinghouse to—

(1) receive copies of all reporting packages developed in accordance with this chapter;

(2) identify recipients that expend \$300,000 or more in Federal awards or such other amount specified by the Director under section 7502(a)(3) during the recipient's fiscal year but did not undergo an audit in accordance with this chapter; and

(3) perform analyses to assist the Director in carrying out responsibilities under this chapter.

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2333; amended Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1402.)

AMENDMENTS

1996—Pub. L. 104-156 substituted "Federal agency responsibilities and relations with non-Federal entities" for "Cognizant agency responsibilities" in section catchline and amended text generally. Prior to amendment, text read as follows:

"(a) The Director shall designate cognizant agencies for audits conducted pursuant to this chapter.

"(b) A cognizant agency shall—

"(1) ensure that audits are made in a timely manner and in accordance with the requirements of this chapter;

"(2) ensure that the audit reports and corrective action plans made pursuant to section 7502 of this title are transmitted to the appropriate Federal officials; and

"(3)(A) coordinate, to the extent practicable, audits done by or under contract with Federal agencies that are in addition to the audits conducted pursuant to this chapter; and (B) ensure that such additional audits build upon the audits conducted pursuant to this chapter."

§ 7505. Regulations

(a) The Director, after consultation with the Comptroller General, and appropriate officials from Federal, State, and local governments and nonprofit organizations shall prescribe guidance to implement this chapter. Each Federal agency shall promulgate such amendments to its regulations as may be necessary to conform such regulations to the requirements of this chapter and of such guidance.

(b)(1) The guidance prescribed pursuant to subsection (a) shall include criteria for determining the appropriate charges to Federal awards for the cost of audits. Such criteria shall prohibit a non-Federal entity from charging to any Federal awards—

(A) the cost of any audit which is—

(i) not conducted in accordance with this chapter; or

(ii) conducted in accordance with this chapter when expenditures of Federal awards are less than amounts cited in section 7502(a)(1)(A) or specified by the Director under section 7502(a)(3), except that the Director may allow the cost of limited scope audits to monitor subrecipients in accordance with section 7502(f)(2)(B); and

(B) more than a reasonably proportionate share of the cost of any such audit that is conducted in accordance with this chapter.

(2) The criteria prescribed pursuant to paragraph (1) shall not, in the absence of documentation demonstrating a higher actual cost, permit the percentage of the cost of audits performed pursuant to this chapter charged to Federal awards, to exceed the ratio of total Federal awards expended by such non-Federal entity during the applicable fiscal year or years, to such non-Federal entity's total expenditures during such fiscal year or years.

(c) Such guidance shall include such provisions as may be necessary to ensure that small business concerns, qualified HUBZone small business concerns, and business concerns owned and controlled by socially and economically disadvantaged individuals will have the opportunity to participate in the performance of contracts awarded to fulfill the audit requirements of this chapter.

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2333; amended Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1403; Pub. L. 105-135, title VI, §604(e)(3), Dec. 2, 1997, 111 Stat. 2634.)

AMENDMENTS

1997—Subsec. (c). Pub. L. 105-135 substituted "small business concerns, qualified HUBZone small business concerns, and" for "small business concerns and".

1996—Pub. L. 104-156 reenacted section catchline without change and amended text generally, substituting present provisions for similar provisions relating to regulations, including implementation guidelines for regulations, criteria for determining appropriate charges to programs of Federal financial assistance for cost of audits, and guidelines to ensure that small business concerns and business concerns owned and controlled by socially and economically disadvantaged individuals have opportunity to participate in contracts awarded to fulfill audit requirements of this chapter.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-135 effective Oct. 1, 1997, see section 3 of Pub. L. 105-135, set out as a note under section 631 of Title 15, Commerce and Trade.

GUIDELINES FOR ACCEPTANCE OF AUDITS BY STATE AND LOCAL GOVERNMENTS RECEIVING FEDERAL ASSISTANCE

Pub. L. 104-201, div. A, title VIII, §808(c), Sept. 23, 1996, 110 Stat. 2607, provided that: “The Director of the Office of Management and Budget shall issue guidelines to ensure that an audit of indirect costs performed by the Federal Government is accepted by State and local governments that receive Federal funds under contracts, grants, or other Federal assistance programs.”

§ 7506. Monitoring responsibilities of the Comptroller General

(a) The Comptroller General shall review provisions requiring financial audits of non-Federal entities that receive Federal awards that are contained in bills and resolutions reported by the committees of the Senate and the House of Representatives.

(b) If the Comptroller General determines that a bill or resolution contains provisions that are inconsistent with the requirements of this chapter, the Comptroller General shall, at the earliest practicable date, notify in writing—

(1) the committee that reported such bill or resolution; and

(2)(A) the Committee on Governmental Affairs of the Senate (in the case of a bill or resolution reported by a committee of the Senate); or

(B) the Committee on Government Reform and Oversight of the House of Representatives (in the case of a bill or resolution reported by a committee of the House of Representatives).

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2333; amended Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1403.)

AMENDMENTS

1996—Pub. L. 104-156 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows: “The Comptroller General shall review provisions requiring financial or financial and compliance audits of recipients of Federal assistance that are contained in bills and resolutions reported by the committees of the Senate and the House of Representatives. If the Comptroller General determines that a bill or resolution contains provisions that are inconsistent with the requirements of this chapter, the Comptroller General shall, at the earliest practicable date, notify in writing—

“(1) the committee that reported such bill or resolution; and

“(2)(A) the Committee on Governmental Affairs of the Senate (in the case of a bill or resolution reported by a committee of the Senate); or

“(B) the Committee on Government Operations of the House of Representatives (in the case of a bill or resolution reported by a committee of the House of Representatives).”

CHANGE OF NAME

Committee on Governmental Affairs of Senate changed to Committee on Homeland Security and Governmental Affairs of Senate, effective Jan. 4, 2005, by Senate Resolution No. 445, One Hundred Eighth Congress, Oct. 9, 2004.

Committee on Government Reform and Oversight of House of Representatives changed to Committee on Government Reform of House of Representatives by House Resolution No. 5, One Hundred Sixth Congress, Jan. 6, 1999. Committee on Government Reform of House of Representatives changed to Committee on Oversight and Government Reform of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

§ 7507. Effective date

This chapter shall apply to any non-Federal entity with respect to any of its fiscal years which begin after June 30, 1996.

(Added Pub. L. 98-502, §2(a), Oct. 19, 1984, 98 Stat. 2334; amended Pub. L. 104-156, §2, July 5, 1996, 110 Stat. 1404.)

AMENDMENTS

1996—Pub. L. 104-156 struck out “; report” after “Effective date” in section catchline and amended text generally. Prior to amendment, text read as follows:

“(a) This chapter shall apply to any State or local government with respect to any of its fiscal years which begin after December 31, 1984.

“(b) The Director, on or before May 1, 1987, and annually thereafter, shall submit to each House of Congress a report on operations under this chapter. Each such report shall specifically identify each Federal agency or State or local government which is failing to comply with this chapter.”

CHAPTER 77—ACCESS TO INFORMATION FOR DEBT COLLECTION

Sec. 7701. Taxpayer identifying number.

AMENDMENTS

1996—Pub. L. 104-134, title III, §31001(i)(3)(A), Apr. 26, 1996, 110 Stat. 1321-365, which directed that the chapter title to chapter 77 of subtitle VI of this title be amended by substituting “ACCESS TO INFORMATION FOR DEBT COLLECTION” for “LOAN REQUIREMENTS”, was executed by making the substitution in the chapter title of chapter 77 of subtitle V of this title, to reflect the probable intent of Congress.

§ 7701. Taxpayer identifying number

(a) In this section—

(1) “included Federal loan program” has the same meaning given that term in section 6103(l)(3)(C) of the Internal Revenue Code of 1986 (26 U.S.C. 6103(l)(3)(C)).

(2) “taxpayer identifying number” means the identifying number required under section 6109 of the Internal Revenue Code of 1986 (26 U.S.C. 6109).

(b) The head of an agency administering an included Federal loan program shall require a person applying for a loan under the program to provide that person’s taxpayer identifying number.

(c)(1) The head of each Federal agency shall require each person doing business with that agency to furnish to that agency such person’s taxpayer identifying number.

(2) For purposes of this subsection, a person shall be considered to be doing business with a Federal agency if the person is—

(A) a lender or servicer in a Federal guaranteed or insured loan program administered by the agency;

(B) an applicant for, or recipient of, a Federal license, permit, right-of-way, grant, or benefit payment administered by the agency or insurance administered by the agency;

(C) a contractor of the agency;

(D) assessed a fine, fee, royalty or penalty by the agency; and

(E) in a relationship with the agency that may give rise to a receivable due to that agency, such as a partner of a borrower in or a guarantor of a Federal direct or insured loan administered by the agency.

(3) Each agency shall disclose to a person required to furnish a taxpayer identifying number under this subsection its intent to use such number for purposes of collecting and reporting on any delinquent amounts arising out of such person's relationship with the Government.

(4) For purposes of this subsection, a person shall not be treated as doing business with a Federal agency solely by reason of being a debtor or under third party claims of the United States. The preceding sentence shall not apply to a debtor owing claims resulting from petroleum pricing violations or owing claims resulting from Federal loan or loan guarantee/insurance programs.

(d) Notwithstanding section 552a(b) of title 5, United States Code, creditor agencies to which a delinquent claim is owed, and their agents, may match their debtor records with Department of Health and Human Services, and Department of Labor records to obtain names (including names of employees), name controls, names of employers, taxpayer identifying numbers, addresses (including addresses of employers), and dates of birth. The preceding sentence shall apply to the disclosure of taxpayer identifying numbers only if such disclosure is not otherwise prohibited by section 6103 of the Internal Revenue Code of 1986. The Department of Health and Human Services, and the Department of Labor shall release that information to creditor agencies and may charge reasonable fees sufficient to pay the costs associated with that release.

(Added Pub. L. 103-272, §4(f)(1)(Y)(i), July 5, 1994, 108 Stat. 1363; amended Pub. L. 104-134, title III, §31001(i)(1), Apr. 26, 1996, 110 Stat. 1321-364.)

REFERENCES IN TEXT

Section 6103 of the Internal Revenue Code of 1986, referred to in subsecs. (a)(1) and (d), is classified to section 6103 of Title 26, Internal Revenue Code.

AMENDMENTS

1996—Subsecs. (c), (d). Pub. L. 104-134 added subsecs. (c) and (d).

SUBTITLE VI—MISCELLANEOUS

Chap.		Sec.
91.	Government Corporations	9101
93.	Sureties and Surety Bonds	9301
95.	Government Pension Plan Protection	9501
97.	Miscellaneous	9701

AMENDMENTS

1996—Pub. L. 104-134, title III, §31001(i)(3)(B), Apr. 26, 1996, 110 Stat. 1321-365, which directed that the table of

chapters for subtitle VI of this title be amended by inserting a new item for chapter 77 "Access to information for debt collection" before the item for chapter 91, was executed to the table of chapters for subtitle V of this title by substituting "Access to information for debt collection" for "Loan Requirements" in item for chapter 77, to reflect the probable intent of Congress.

CHAPTER 91—GOVERNMENT CORPORATIONS

Sec.	
9101.	Definitions.
9102.	Establishing and acquiring corporations.
9103.	Budgets of wholly owned Government corporations.
9104.	Congressional action on budgets of wholly owned Government corporations.
9105.	Audits.
9106.	Management reports.
9107.	Accounts.
9108.	Obligations.
9109.	Exclusion of a wholly owned Government corporation from this chapter.
9110.	Standards for depository institutions holding securities of a Government-sponsored corporation for customers.

AMENDMENTS

1990—Pub. L. 101-576, title III, §306(b), Nov. 15, 1990, 104 Stat. 2854, substituted "Management" for "Audit".
1986—Pub. L. 99-571, title II, §201(b)(2), Oct. 28, 1986, 100 Stat. 3224, added item 9110.

§ 9101. Definitions

In this chapter—

(1) "Government corporation" means a mixed-ownership Government corporation and a wholly owned Government corporation.

(2) "mixed-ownership Government corporation" means—

(A) the Central Bank for Cooperatives.

(B) the Federal Deposit Insurance Corporation.

(C) the Federal Home Loan Banks.

(D) the Federal Intermediate Credit Banks.

(E) the Federal Land Banks.

(F) the National Credit Union Administration Central Liquidity Facility.

(G) the Regional Banks for Cooperatives.

(H) the Rural Telephone Bank when the ownership, control, and operation of the Bank are converted under section 410(a) of the Rural Electrification Act of 1936 (7 U.S.C. 950(a)).

(I) the Financing Corporation.

(J) the Resolution Trust Corporation.

(K) the Resolution Funding Corporation.

(3) "wholly owned Government corporation" means—

(A) the Commodity Credit Corporation.

(B) the Community Development Financial Institutions Fund.

(C) the Export-Import Bank of the United States.

(D) the Federal Crop Insurance Corporation.

(E) Federal Prison Industries, Incorporated.

(F) the Corporation for National and Community Service.

(G) the Government National Mortgage Association.

(H) the Overseas Private Investment Corporation.